

## Executive Summary

M04 - July 2022		YTD	Forecast	
Income & Expenditure	<b>Overall 2022/23 Financial Position - (Surplus) / Deficit</b> For the financial year 2022/23 the ICB combined with the Q1 position of the NENC CCG is on track to deliver the planned surplus position of £2.6m	Plan	£0.895 m	(£2.633) m
		Actual *	(£20.651) m	(£2.633) m
	*Nb: The YTD surplus for the ICB is technical in nature and due to the transfer of balances from CCGs to ICB.			
	<b>July 2022 - March 2023 Financial Position - (Surplus) / Deficit</b> ICB is reporting a year to date and forecast outturn in line with the submitted financial plan for the period July 2022 - March 2023 - (£0.441m) YTD and (£3.970m) Forecast	Plan	(£0.441) m	(£3.970) m
		Actual	(£0.441) m	(£3.970) m
	<b>July 2022 - March 2023 Programme Spend</b> ICB is reporting a year to date variance of (£0.441m) an outturn variance of (£3.970m) in line with the submitted financial plan for the period July 2022 - March 2023 (Surplus) / Deficit	Plan	£539.1 m	£4,852.1 m
		Actual	£538.7 m	£4,848.1 m
<b>July 2022 - March 2023 Running cost</b> ICB is reporting a year to date variance of £0m against a YTD budget of £4.784m and an outturn variance of £0m against a budget of £43.055m for the period July 2022 - March 2023	Plan	£4.8 m	£43.1 m	
	Actual	£4.8 m	£43.1 m	
<b>Overall 2022/23 QIPP/Efficiency</b> ICB is reporting a year to date variance of £0m and an outturn variance of £0m against the annual efficiency plan of £48.4m.	Plan	£15.56 m	£48.433 m	
	Actual	£15.56 m	£48.433 m	
<b>Overall 2022/23 Mental Health Investment Standard (MHIS)</b> The ICB is on track to achieve the MHIS target for 2022/23.		5.26%	5.26%	
Statement of Financial Position	<b>July BPPC</b> The BBPC target is for 95% of NHS and Non NHS invoices to be paid within 30 days		by volume	by value
		NHS	100.00%	100.00%
		Non NHS	99.97%	99.80%

## Overview of the Financial Position

This report provides an update on the financial performance of ICB in the financial year 2022/23 for the period to 31st July 2022.

As at 31st July 2022 the ICB is reporting financial performance in line with the financial plan submitted 20th June 2022, reflecting a forecast surplus of £2.6m. This offsets a forecast deficit across relevant NHS providers, resulting in a balanced financial position across the ICS.

The financial plan of the ICB required an overall efficiency target of £48.4m and the ICB is on track to deliver this.

The ICB is on track to deliver the Mental Health Investment Standard.

NHS Providers remain on block contracts for 2022/23, this arrangement gives the ICB certainty over the expenditure associated with these contracts for the year. NHS expenditure accounts for approximately 65% of total ICB expenditure.

The main areas of risk and uncertainty for the ICB arises from non nhs activity, including in particular prescribing and continuing healthcare costs.

At this stage of the year there is always limited data available for the majority of commissioned services, with a time lag of two months in respect of prescribing data and other activity based contract information. This adds a level of risk and uncertainty to the reported forecast outturn position.

Whilst the ICB has reported a forecast in line with plan, a number of potential financial risks have been identified, totalling £29m. This includes in particular potential risks around prescribing, continuing healthcare and independent sector acute activity, linked to the elective recovery programme.

Mitigations have been identified to manage the majority of potential risks, leaving an unmitigated potential risk of almost £9m linked to elective recovery fund activity. Additional elective recovery funding to cover these costs is subject to overall system performance which presents a significant risk. The unmitigated risk amounts to less than 0.2% of total ICB funding. This will continue to be reviewed over the year along with system partners.

## Table 1: ICB Financial Position - Overview

Month 4 - July 2022	YTD Plan	Revised YTD Actual	YTD Variance	2022/23 Annual Plan	2022/23 Forecast Outturn	2022/23 Forecast Variance
	£000s	£000s	£000s	£000s	£000s	£000s
<b>Revenue Resource Limit</b>	(542,765)	(542,765)	0	(4,884,887)	(4,884,887)	0
<b><u>Programme</u></b>						
Acute Services	272,353	273,358	1,006	2,451,173	2,458,967	7,793
Mental Health Services	59,606	61,000	1,394	536,457	536,537	80
Community Health Services	37,480	41,258	3,778	337,316	337,504	189
BCF	27,614	25,445	(2,168)	248,522	249,238	716
Continuing Care	30,462	30,164	(298)	274,158	277,153	2,996
Prescribing	47,196	47,410	214	424,763	422,328	(2,435)
Primary Care	10,247	10,655	408	92,219	93,469	1,250
Primary Care Co-Commissioning	44,284	44,284	0	398,555	398,555	(0)
Other Programme Services	2,526	4,078	1,553	22,733	22,934	201
Other Commissioned Services	2,113	2,075	(38)	19,015	19,215	199
Programme Reserves	3,448	(2,234)	(5,681)	31,029	20,177	(10,852)
Contingency	214	47	(167)	1,922	1,785	(137)
<b>Total ICB Programme Costs</b>	<b>537,540</b>	<b>537,540</b>	<b>0</b>	<b>4,837,862</b>	<b>4,837,862</b>	<b>(0)</b>
<b><u>Admin</u></b>						
Running Costs	4,784	4,784	0	43,055	43,055	0
<b>Total ICB Admin Costs</b>	<b>4,784</b>	<b>4,784</b>	<b>0</b>	<b>43,055</b>	<b>43,055</b>	<b>0</b>
ICB planned (Surplus) / Deficit	441	0	(441)	3,970	0	(3,970)
CCG Q1 b/f position & rephased expenditure	1,586,976	1,566,767	(20,210)	1,585,787	1,587,125	1,338
New unallocated allocations	1,138	1,138	0	10,239	10,239	0
<b>Total 22/23 Financial Position</b>	<b>2,130,879</b>	<b>2,110,228</b>	<b>(20,651)</b>	<b>6,480,913</b>	<b>6,478,281</b>	<b>(2,632)</b>

## Table 1.1: Financial Position at 'Place'

Financial Position at 'Place'	YTD Plan	YTD Actual	YTD Variance	2022/23 Annual Plan	2022/23 Forecast Outturn	2022/23 Forecast Variance
	£000s	£000s	£000s	£000s	£000s	£000s
<b>M4 - M12</b>						
<b>North Cumbria Place</b>	<b>56,757</b>	<b>56,757</b>	<b>(0)</b>	<b>510,815</b>	<b>510,815</b>	<b>0</b>
Newcastle Place	61,117	61,117	(0)	550,055	550,055	(0)
Gateshead Place	49,744	49,744	0	447,697	447,697	(0)
North Tyneside Place	33,678	33,678	0	303,100	303,100	0
Northumberland Place	51,739	51,739	0	465,645	465,645	0
<b>North Area</b>	<b>196,278</b>	<b>196,278</b>	<b>0</b>	<b>1,766,497</b>	<b>1,766,497</b>	<b>(0)</b>
County Durham Place	94,195	94,195	0	847,759	847,758	(0)
South Tyneside Place	27,459	27,459	(0)	247,132	247,132	0
Sunderland Place	48,398	48,398	(0)	435,582	435,582	(0)
<b>Central Area</b>	<b>170,053</b>	<b>170,053</b>	<b>0</b>	<b>1,530,473</b>	<b>1,530,473</b>	<b>(0)</b>
<b>Tees Valley Place</b>	<b>114,453</b>	<b>114,453</b>	<b>0</b>	<b>1,030,078</b>	<b>1,030,078</b>	<b>0</b>
<b>Total ICB Programme Costs</b>	<b>537,540</b>	<b>537,540</b>	<b>0</b>	<b>4,837,862</b>	<b>4,837,862</b>	<b>(0)</b>

*Note: The above numbers at 'place' exclude CCG Outturn in M1-3*

## Table 2: Overall ICS (Surplus) / Deficit

Month 4 - July 2022	YTD Plan (Surplus) / Deficit	YTD Actual (Surplus) / Deficit	YTD Variance (Surplus) / Deficit	Annual Plan (Surplus) / Deficit	Forecast (Surplus) / Deficit	Forecast Variance (Surplus) / Deficit
	£000s	£000s	£000s	£000s	£000s	£000s
NENC Commissioner (ICB)						
Q1 CCG	1,336	(20,210)	(21,546)	1,336	(20,209)	(21,546)
Q2-Q4 ICB	(441)	(441)	0	(3,970)	17,576	21,546
<b>Total ICB Position</b>	<b>895</b>	<b>(20,651)</b>	<b>(21,546)</b>	<b>(2,633)</b>	<b>(2,633)</b>	<b>(0)</b>
NENC Providers	9,870	8,636	(1,234)	2,633	2,607	(26)
<b>Total Provider Position</b>	<b>9,870</b>	<b>8,636</b>	<b>(1,234)</b>	<b>2,633</b>	<b>2,607</b>	<b>(26)</b>
<b>Total ICS Financial Position 22/23</b>	<b>10,765</b>	<b>(12,015)</b>	<b>(22,780)</b>	<b>(0)</b>	<b>(26)</b>	<b>(26)</b>

### Table 3: Efficiencies

	M4 YTD Budget	M4 YTD Actual	M4 YTD Variance	2022/23 Plan	2022/23 Forecast	2022/23 Forecast Variance
	£000s	£000s	£000s	£000s	£000s	£000s
Acute	294	294	0	2,650	2,650	0
Community Healthcare	2,712	2,712	0	8,144	8,144	0
Primary Care (inc. Primary Co-Commissioning)	5,535	5,535	0	16,592	16,592	0
Continuing Healthcare	6,744	6,744	0	20,229	20,229	0
Other Programme Services	270	270	0	818	818	0
<b>Overall Financial Position</b>	<b>15,555</b>	<b>15,555</b>	<b>0</b>	<b>48,433</b>	<b>48,433</b>	<b>0</b>
<b>Of Which:</b>						
Recurrent	5,765	5,765	0	17,280	17,280	0
Non Recurrent	9,790	9,790	0	31,153	31,153	0
<b>Overall Financial Position</b>	<b>15,555</b>	<b>15,555</b>	<b>0</b>	<b>48,433</b>	<b>48,433</b>	<b>0</b>

  

	M4 YTD Budget	M4 YTD Actual	M4 YTD Variance	2022/23 Plan	2022/23 Forecast	2022/23 Forecast Variance
	£000s	£000s	£000s	£000s	£000s	£000s
Demand Management (referrals)	164	164	0	500	500	0
Evidence based interventions	294	294	0	2,650	2,650	0
Pathway transformation	1,780	1,780	0	5,346	5,346	0
Continuing Healthcare - cost per case review	6,744	6,744	0	20,225	20,225	0
Primary Care Prescribing	4,498	4,498	0	13,480	13,480	0
Tranforming community-based primary care	932	932	0	2,796	2,796	0
Non-NHS Procurement	489	489	0	1,462	1,462	0
Estates / NHS property rationalisation	152	152	0	456	456	0
Other	502	502	0	1,518	1,518	0
<b>Overall Financial Position</b>	<b>15,555</b>	<b>15,555</b>	<b>0</b>	<b>48,433</b>	<b>48,433</b>	<b>0</b>

### Table 3: Efficiencies key points

The tables across show the efficiency targets set out in the ICB plan by ISFE category and programme area. At Month 4 the ICB is forecasting that it will achieve the overall planned position and the efficiencies embedded within it.

## Table 4: Better Payment Practice Code

For the month to 31st July 2022

Better Payment Practice Code - 30 Days	NUMBER	£000's
<b>Non-NHS</b>		
Total Non-NHS Trade Invoices Paid in the Year	9,551	105,855
Total Non-NHS Trade Invoices Paid Within 30 Day Target	9,548	105,641
<b>Percentage of Non-NHS Trade Invoices Paid Within 30 Day Target</b>	<b>99.97%</b>	<b>99.80%</b>
<b>NHS</b>		
Total NHS Trade Invoices Paid in the Year	273	358,218
Total NHS Trade Invoices Paid Within 30 Day Target	273	358,218
<b>Percentage of NHS Trade Invoices Paid Within 30 Day Target</b>	<b>100.00%</b>	<b>100.00%</b>

**Table 5: NHS Provider Contract Annual Value 2022-23**

NHS Provider Organisation	2022-23 Annual Contract Value
	<b>£000s</b>
COUNTY DURHAM AND DARLINGTON NHS FOUNDATION TRUST	502,737
CUMBRIA, NORTHUMBERLAND, TYNE AND WEAR NHS FOUNDATION TRUST	313,509
GATESHEAD HEALTH NHS FOUNDATION TRUST	248,758
NORTH CUMBRIA INTEGRATED CARE NHS FOUNDATION TRUST	369,981
NORTH EAST AMBULANCE SERVICE NHS FOUNDATION TRUST	168,290
NORTH TEES AND HARTLEPOOL NHS FOUNDATION TRUST	305,972
NORTHUMBRIA HEALTHCARE NHS FOUNDATION TRUST	476,531
SOUTH TEES HOSPITALS NHS FOUNDATION TRUST	382,045
SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST	546,855
TEES, ESK AND WEAR VALLEYS NHS FOUNDATION TRUST	225,107
THE NEWCASTLE UPON TYNE HOSPITALS NHS FOUNDATION TRUST	600,704
<b>Total NHS Provider Contracts</b>	<b>4,140,487</b>



**Table 6: Better Care Fund (BCF) Annual Contract Value 2022-23**

Local Authority	2022-23 Annual Contract Value
	£000s
NEWCASTLE CITY COUNCIL	26,870
GATESHEAD COUNCIL	18,716
NORTH TYNESIDE COUNCIL	12,311
NORTHUMBERLAND COUNTY COUNCIL	28,220
CUMBRIA COUNTY COUNCIL	28,077
SUNDERLAND CITY COUNCIL	164,930
SOUTH TYNESIDE COUNCIL	28,091
DURHAM COUNTY COUNCIL	50,241
STOCKTON-ON-TEES BOROUGH COUNCIL	16,638
MIDDLESBROUGH BOROUGH COUNCIL	13,448
REDCAR AND CLEVELAND BOROUGH COUNCIL	12,980
HARTLEPOOL BOROUGH COUNCIL	8,493
DARLINGTON BOROUGH COUNCIL	9,135
<b>Total Better Care Fund (BCF) Contracts</b>	<b>418,150</b>