

North East and North Cumbria Integrated Care Board

Finance, Performance and Investment Committee

**Minutes of the meeting held on Thursday 7 March 2024 at 10:00hrs
Via MS teams**

Present: Jon Rush, Chair
David Chandler, Executive Director of Finance
Dave Gallagher, Executive Area Director (Tees Valley and Central)
Richard Henderson, Director of Finance (Corporate)
Eileen Kaner, Independent Non Executive Director
Jen Lawson, Head of Governance
Jacqueline Myers, Executive Chief of Strategy and Operations
Dr Neil O'Brien, Executive Medical Director
Dr Michael Smith, Primary Medical Services Partner Member

In attendance: Phil Argent, Director of Finance (North)
James Duncan, CEO, Cumbria, Northumberland, Tyne & Wear NHS FT
Emma Ottignon-Harris, Executive Assistant (minutes)
David Stout, Independent Non Executive Member (via MS teams)

FPI/2023-24/162	Welcome and introductions The Chair welcomed all those present to the meeting and it was confirmed that the meeting was quorate. It was agreed that the meeting would be recorded for the purpose of minutes.
FPI/2023-24/163	Apologies for absence Ken Bremner (Chief Executive, South Tyneside & Sunderland NHS FT), Rajesh Nadkarni (Executive Medical Director, Cumbria, Northumberland, Tyne & Wear NHS FT) and Levi Buckley (Executive Area Director - North and North Cumbria / Executive Lead for Mental Health, Learning Disability and Autism).
FPI/2023-24/164	Declarations of interest There were no declarations of interest raised.
FPI/2023-24/165	Minutes of the previous meeting held on 1 February 2024 RESOLVED: The FPI Committee AGREED that the public minutes of the meeting held on 1 February 2024 were a true and accurate record.

<p>FPI/2023-24/166</p>	<p>Matters arising from the minutes</p> <p>A request was made to ensure that the PRIVATE minutes from the FPI Committee meeting held on 1 February 2024 were reviewed and agreed by all Committee members.</p>
<p>FPI/2023-24/167</p>	<p>Notification of urgent items of any other business</p> <p>There were no urgent items of any other business.</p>
<p>FPI/2023-24/168</p>	<p>Action log update</p> <p>FPI/2023/126/01 Independent Sector Review:</p> <ul style="list-style-type: none"> • Additional analysis, timeline and increase since 2019/20 for mental health spend in the independent sector will be circulated as an addendum to the usual finance report. <p>FPI/2023-24/155/01 Finance Performance Update:</p> <ul style="list-style-type: none"> • Resource Allocation Group (RAG) paper to include influencing strategy and allocation model to be presented at FPI Committee on 4 April 2024. <p>FPI/2023-24/156/01 ERF Update:</p> <ul style="list-style-type: none"> • Executive Director of Finance to seek clarification of governance process to for approval of the proposed amendments to the application of the locally agreed approach to 2023/24 ERF funding allocations. Recommendation to be given to the Executive Committee for approval and to be shared for information at NENC ICB Board. This resulted in a further action to review and revise the FPI Committee ToR regarding the relationship and responsibilities for FPI and Exec Committees. <p>FPI/2023-24/158/01 Capital Oversight Arrangements:</p> <ul style="list-style-type: none"> • Director of Corporate Governance and Board Secretary has followed up via email to Nicola Morrow (IB support) to request that an ICB rep for Strategy and Planning to be included on the IB membership. To be raised at the next IB meeting for consideration and identify name post ICB 2.0.
<p>FPI/2023-24/169</p>	<p>ICB performance update</p> <p>The Executive Chief of Strategy and Operations introduced the integrated delivery report which provided an ICS overview of quality and performance using data covering December 2023 for most metrics and January 2024 for others, unless otherwise specified. The finance data was for January 2024 (Month 10).</p> <p>It was noted that some of the verbal update contained a more recent position and the inclusion of the new Health Inequalities update in the report was brought to the Committee's attention.</p> <p>It was confirmed that 2024/25 NHSE planning guidance had not yet been</p>

published. Assumptions included a modest adjustment to 4 hour A&E performance, no change to the 30 minute C2 ambulance response time and to eliminate 65 week waiters no later than end of Q2. Provider Trusts are required to submit draft planning templates to the ICB on 15 March.

Urgent and Emergency Care (UEC):

- C2 ambulance performance had significantly improved since December 2023 moving to below 34 minutes which had been sustained throughout February, with some days responding within 23 to 24 minutes. This was due to better performance in January than previously forecast but it was noted is still below the average 30 minute response target. A process is in place for any days averaging in excess of 45 minutes and to receive a narrative explanation from North East Ambulance Service (NEAS) but has only been required twice in February.
- As a result of a UEC improvement programme and NEAS internal productivity ambulance handover performance has been sustained. For very long ambulance handover delays (between 2 to 3 hours) an ICB Exec led escalation process has been established.
- Daily system oversight calls have been stood up in March to monitor A&E waiting times within 4 hours performance against the 76% national target across all acute Foundation Trusts. Additional support work included the validation of breaches, particularly patients recorded as completing their A&E journey within 4 to 5 hours and in-day performance, but with a conscious effort not to increase additional pressures to the clinical teams. The Strategic Coordination Centre (SCC) has also extended its monitoring arrangements.
- In Community Health services the 2-hour urgent community response (UCR) had exceeded the 70% threshold at over 80% but the volume of UCR referrals had increased.

Elective Care:

- The number of patients waiting over 78 weeks had reduced to 216 and it is anticipated that the target of 167 by end of March plan will be achieved despite further planned junior doctor industrial action. With regards to industrial action, it was confirmed that a settlement had been agreed with hospital consultants.
- There had been an encouraging weekly improvement with the number of patients waiting over 65 weeks down to 1534 versus a revised H2 plan of 1145.
- A significant achievement of a zero waitlist of patients waiting over 104 weeks was highlighted, particularly due to the complex spine pathway at Newcastle upon Tyne Hospitals FT (NuTH).

Cancer:

- An H2 end of March plan target for patients waiting over 62 days had been revised to 817. Improvement had slowed down in February with only a small reduction of 6 patients the previous week. Provider Trust positions are being monitored particularly at North Cumbria Integrated Care FT

(NCIC) as the latest reported position was 145 versus the end of March target of 101.

Mental Health, Learning Disabilities, Autism and Neurodevelopment:

- The number of people accessing Talking Therapies for Anxiety (TTAD) continues to be behind plan despite additional plans to increase capacity. The backlog, mainly due to increase in contacts required to conclude care, was noted due to more complex cases. Market stimulation, workforce requirement and procurement for capacity work is ongoing which will be a key focus area in the transformation programme and planning rounds.
- Out of Area placements (OAP) also remained behind plan with 345 OAP bed days compared to a plan of 201 across NENC. A strategic housing plan is in development based on need versus provision and system leaders will meet to discuss collaborative working with local authorities to provide additional care provision. £2.4m of funding has been awarded to the inpatient transformation programme in mental health trusts.

Health Inequalities:

- The integrated delivery report also included an update on progress against the health and healthcare inequalities metrics which was summarised in tables on pages 16 and 17 in the report.
- It was highlighted throughout the update that restoring elective activity and access to services had been less successful in areas of deprivation and there is a disparity with waiting list and treatment times.
- Targeted lung health checks have been focussed in most deprived areas.

There was an opportunity for comments and questions.

Performance:

- Northern Cancer Alliance have identified a 62-day pathway priority cancer tumour list.
- Due to industrial action it is anticipated that there could be 1200 to 1400 patients waiting on the 65 week wait list and it was highlighted that there had been 50,000 cancelled appointments since April 2023. Cancer performance had been impacted due to cancelled diagnostics and outpatients appointments but urgent care performance had been less effected during junior doctor industrial action due to consultants covering, however the impact on staff morale and wellbeing due to increased clinical workload was highlighted.
- Further industrial action is planned in Tees Valley by healthcare assistants and there is a concern of potential GP industrial action due to the GMS GP contract offer and additional pressures in Primary Care.

The CEO, CNTW, joined the meeting.

- In response to a query on how NENC INB benchmarked in performance for Talking Therapies versus the rest of the country, it was suggested that a benchmarking exercise across Mental Health metrics could be done and

brought back to update at a future committee meeting. Other issues mentioned with Talking Therapies include a disjointed market, multi-commissioning, challenges in the national model and it was suggested that next steps include consideration to an integrated community offer. It was noted that there had not been an underperformance in out of area placements at CNTW in the past six months.

- Part of the ICB 2.0 process had focussed on how to monitor and improve performance, which has resulted in dedicated resource and roles throughout all relevant functions for example contract managers, separate Directors of Nursing and Mental Health Leads.
- The Oral Health Strategy will be presented to the Board and it was proposed that an update on the dental health recovery programme will be presented to FPI Committee in May 2024. Units of dental activity against plan will be built into the integrated delivery report.

ACTION: Executive Chief of Strategy and Operations and Executive Area Director (Tees Valley and Central) to prepare and present a report on dental activity in May 2024.

Inequalities:

- Points were raised about the increasing complexity of cases referred to Talking Therapies and if a service can be designed through an inequality lens to enable earlier access and diagnosis particularly for cohorts of deprivation. In response it was clarified that the Healthier and Fairer workstream have raised these issues, £3m of inclusion health funding has been allocated and work is ongoing with local authorities which includes drug and alcohol misuse, and poverty so an offer was made for workstream leads to provide an update at a future meeting.
- A question was raised regarding assurance of sufficient financial allocation and resources into Prevention. In response it was explained that the Clinical Strategy will highlight the transformation and prioritisation work in prevention, chronic and long term disease management. It was highlighted that the majority of the ICS growth funding had been allocated to non-acute areas. The importance of being challenged about in-sector spending was acknowledged therefore a request was made to the Executive Director of Finance to explore how to present this information in more detail.

ACTION: Executive Director of Finance to explore further reporting data on in-sector spending in Prevention programmes.

- A request was made to provide further information on the National Prevention Investment Standard.

ACTION: Executive Director of Finance to investigate and report back on the National Prevention Investment Standard.

- It was queried if the indicator trends marked as green and red arrows in the health and healthcare inequalities metrics table could be quantified and if areas of improvement were due to successful action plans. In response it

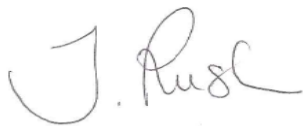
	<p>was confirmed that health observatories work is underway and noted that this was the first report. As part of the ICB 2.0 process there had been a restructure in the Business Intelligence resource which will improve on data reporting.</p> <p>RESOLVED: The Finance, Performance and Investment Committee RECEIVED the content of the report for information and assurance</p>
<p>FPI/2023-24/170</p>	<p>Infrastructure board update</p> <p>The Chief Executive Officer, CNTW, was introduced to Committee members and provided an overview as Chair of the ICB Infrastructure Board.</p> <p>Governance arrangements are in place and members include Directors of Estates and Directors of Finance across the Provider Collaborative, ICB representatives to incorporate Primary Care, Informatics and Sustainability. The Infrastructure Board is co-chaired by the NENC ICB Chief Digital and Infrastructure Officer. It reports into the Provider Leadership Board, FPI Committee for assurance and NENC ICB Executive Committee for decisions and approvals. A number of other working groups were listed and final reporting links are being worked through.</p> <p>It was noted that there is still some national lack of clarity with regard to the ICB wide Infrastructure Strategy, submission and publication timescales.</p> <p>Key areas of work have focused on understanding what is in place with limited resources and to identify system risks. The first draft of the Infrastructure Strategy will be presented to the Infrastructure Board in April, therefore it was agreed that a more detailed and accurate report would be provided to the FPI Committee May 2024.</p> <p>Confirmation of the assurance and monitoring role of the FPI Committee for capital plans and funding bids which are detailed in the FPI terms of reference was provided by the Chair.</p> <p>It was suggested that the quarterly Infrastructure Board assurance report could be presented to the FPI Committee and any issues by exception, and it was confirmed that the overall capital plan is approved at NENC ICB Board.</p> <p>The Chief Executive Officer, CNTW, and Eileen Kaner (NED) left the meeting.</p>
<p>FPI/2023-24/171</p>	<p>ICB financial performance update</p> <p>The Executive Director of Finance introduced the finance report for the period to 31 January 2024 which included the Month 10 financial position, and it was noted that there had been no significant changes to the previous update for M9.</p>

	<p>Key points and risks were highlighted:</p> <ul style="list-style-type: none"> • The ICB remains on track to achieve a £32m surplus. Conversations are due to take place with the ICB Board regarding if and how to allocate it across the system. • The forecast ICS position reported at M10 continued to be a deficit of £35m. £35m of additional deficit support funding had been received from NHSE and it has been agreed to allocate the funding to the three providers forecasting a deficit, proportionate to respective deficit values. This will result in reporting a M11 breakeven position as a system but it was explained that from a financial performance perspective, the ICS will still be deemed by NHSE to be overspending by £35m. • Approximately £21m of funding has also been received to support the costs associated with industrial action from the period of December 2023 to March 2024 which has been allocated on a needs basis. It was noted that due to a stronger financial position across some provider trusts, additional funding was not required at NEAS, North Tees and Hartlepool NHS FT (NTHFT) and Northumbria Healthcare NHS FT (NHCFT). • Public Dividend Capital (PDC) benefits relating to IFRS16 will be included in the forecast position which equates to £10m. • A balance of managing short and long term risks across the ICS is required, however risks across the ICS to the 2023/24 position are generally low at this stage of the year. • ICB redundancy costs are expected to be approximately £1 to 2m lower than planned which will help offset pressures against essential programmes where funding had been held back. • A shortfall of approximately 1% for ERF allocations was highlighted as a risk, however NHSE have agreed to review and adjust targets in the following year if required which will be pursued and managed. • Overall efficiency savings are being delivered however there was a shortfall of c£60m in recurring efficiency plans. This particularly related to Newcastle upon Tyne Hospitals NHS FT (NUTH), with rectifications to recurrent plans currently underway. • Despite the recent government budget which announced an additional £2.5bn to the NHS, the committee were alerted that this would be impacted by costs such as the 2023-24 wage increment, prescribing and CHC and this message has been emphasised in national updates by senior NHSE leaders which should be consistent with ICB comms across the system and local authorities. <p><u>RESOLVED:</u></p> <ol style="list-style-type: none"> 1) The Committee NOTED the latest year to date and forecast financial position for 2023/24. 2) The Committee NOTED there are a number of financial risks across the system still to be managed although these are reduced from previous levels.
<p>FPI/2023-24/172</p>	<p>2024/25 planning process update</p>

	<p>The Director of Finance (North) provided an updated in a presentation which included the process, refresh of the joint forward plan, ICB approach, financial principles and governance, operational planning assumptions, contract mandates, timetables and next steps.</p> <p>It was noted that planning guidance is still in draft form and expected on 11 March 2024, however priorities from 2023/24 are expected to continue unchanged and the overall financial framework will remain. It was clarified that the system plan represents the ICB and NHS Foundation Trusts within the NENC footprint and ICB colleagues will work with Trusts to support the plan delivery and coordinate between the programmes and providers.</p> <p>The financial principles were based on 2023/24 and are predominantly focussed on maintaining finance and service sustainability, an open and transparent approach and not over-committing the system. An additional principle has been added to review the impact of all technical adjustments on individual organisations in their entirety, to ensure the overall impact is fair and reasonable.</p> <p>Block contract mandate arrangements will continue, with the exception of elective recovery funding, and some examples of technical adjustments were listed.</p> <p>Flash reports for finance, performance and workforce were given following the operational plan headline level draft submission on 27 February 2024. NHSE have requested that the first full submission on 21 March is as close to the final full submission as possible, and there is a national tool available to aid triangulation.</p> <p>A reminder was given that the elimination of waits over 52 weeks is not expected to be an ambition for 2024/25 and a broader set of measures including Talking Therapies will be included.</p> <p>In response to a question regarding the collective ICS DoF ambition to reach £100m deficit and link to the Medium Term Finance Plan (MTFP), it was explained that further triangulation work was expected to result in a reduction in workforce and given the planned £50m deficit position for 2023/24 this was expected to be achievable.</p> <p>The next planning update at Board meeting on 26 March 2024.</p>
<p>FPI/2023-24/173</p>	<p>Risk Register Update</p> <p>The Head of Governance (North and North Cumbria) introduced the Risk Management report with a current position on risks facing the organisation for the period 20 November 2023 to 16 February 2024 which were relevant to the remit of the FPI Committee.</p>

	<p>There had been a reduction in the residual score for risks NENC/0004 and NENC/0034.</p> <p>NENC/0071 had been added as a new risk but an error was noted that this digital risk regarding migration of GP clinical system should be in the remit of the Executive Committee.</p> <p>Updates to overdue risks NENC/0069 and NENC/0065 will be made by the appropriate risk owners in a timely manner.</p> <p>It was clarified that it is the responsibility of the risk owner and responsible director to close risks and that the FPI Committee would receive details of risk closure in the quarterly updates.</p> <p>RESOLVED:</p> <ol style="list-style-type: none"> 1) The Committee RECEIVED and REVIEWED the risk register for assurance. 2) The Committee NOTED the profile of the risks as at 16 February 2024 and discussed whether this accurately reflects the organisation's risk profile.
<p>FPI/2023-24/174</p>	<p>Any other business</p> <p>There was no further business raised to discuss. The quality of the reports and presentations was commended by the FPI Committee Chair.</p>
<p>FPI/2023-24/175</p>	<p>Meeting review and date of next meeting</p> <ul style="list-style-type: none"> • The next meeting is confirmed to take place on Thursday 4 April at 10.00am via MS teams. • A request was made to confirm attendance or arrange a deputy and a reminder of the start of the new financial year was given.

Signed:



Position:

Chair

Date:

4 April 2024