

REPORT CLASSIFICATION	✓	CATEGORY OF PAPER	✓
Official	✓	Proposes specific action	
Official: Sensitive Commercial		Provides assurance	✓
Official: Sensitive Personal		For information only	✓

BOARD	
3 JUNE 2025	
Report Title:	Finance, Performance & Investment (FPI) Committee Annual Review 2024/25
Purpose of report	
The attached review outlines the achievements and assurances the Committee has gained throughout the year 2024/25 to demonstrate its roles and responsibilities and includes any risks identified as part of this work.	
Key points	
As set out in the ICB Constitution, each formal Committee of the Board is required to undertake an annual review of its effectiveness against its agreed terms of reference and provide assurance to the Board it has delivered its delegated functions.	
Risks and issues	
The key challenges faced by the Committee are outlined in the attached report.	
Assurances and supporting documentation	
<p>The Committee is required to undertake an annual review of its effectiveness against its terms of reference to ensure delivery of the Committees required roles and responsibilities.</p> <p>The Committee has met its terms of reference throughout the year for 2024/25.</p>	
Recommendation/action required	
The Board is asked to receive the 2024/25 annual review of the Finance, Performance & Investment (FPI) Committee for information and assurance.	
Committee Chair	Jon Rush – Independent Non-Executive Member and Committee Chair
Date approved	June 2025
Report author	Richard Henderson, Director of Finance (Corporate) Craig Blair, Director of Strategy, Planning and Performance Jen Lawson, Head of Corporate Governance
Link to ICP strategy priorities (please tick all that apply)	
Longer and Healthier Lives	
Fairer Outcomes for All	

Better Health and Care Services						✓
Giving Children and Young People the Best Start in Life						
Relevant legal/statutory issues						
Note any relevant Acts, regulations, national guidelines etc						
Any potential/actual conflicts of interest associated with the paper? (please tick)	Yes		No		N/A	✓
Equality analysis completed (please tick)	Yes		No		N/A	✓
If there is an expected impact on patient outcomes and/or experience, has a quality impact assessment been undertaken? (please tick)	Yes		No		N/A	✓
Essential considerations						
Financial implications and considerations	N/A					
Contracting and Procurement	N/A					
Local Delivery Team	N/A					
Digital implications	N/A					
Clinical involvement	N/A					
Health inequalities	N/A					
Patient and public involvement	N/A					
Partner and/or other stakeholder engagement	N/A					
Other resources	N/A					

Annual Review of Finance, Performance & Investment (FPI) Committee

In line with its terms of reference, the Committee must undertake an annual review of its performance and provide an account of its work to the Board.

Review period	1 April 2024 to 31 March 2025	
Members	Number of meetings eligible to attend:	Number of meetings attended by members:
Jon Rush - ICB Non Executive Member (Chair)	10	10
Eileen Kaner - ICB Non Executive Member (Vice Chair)	10	7
Ken Bremner - ICB Board NHS FT Partner Member	10	5
Levi Buckley- ICB Chief Delivery Officer	10	5
David Chandler - ICB Chief Finance Officer	10	7 (3 x Deputy)
Neil O'Brien - ICB Chief Medical Officer	10	7
Rajesh Nadkarni - ICB Board NHS FT Partner Member	10	7
Jacqueline Myers - ICB Chief Strategy Officer	10	7 (3 x Deputy)
Mike Smith – ICB Board Primary Medical Services Partner Member	10	9

Role and responsibilities of the Committee

The purpose of the Committee is to provide oversight and assurance to the Board in the development and delivery of a robust, viable and sustainable, system financial plan. The committee reviews and scrutinises the financial performance of both the ICB and NHS organisations within the ICB footprint, as well as having an overview of overall operational performance and investments.

The Committee's responsibilities fall under the following categories within the terms of reference:

- Financial framework
- Resource allocation
- National framework
- Financial monitoring
- Financial performance
- Productivity and efficiencies
- Capital
- Risk management

Details of main work areas

The FPI Committee is a Committee of the ICB Board. It was in operation throughout the twelve-month period from 1 April 2024 to 31 March 2025.

The FPI Committee was established by the ICB Board on 1 July 2022 and has met ten times during 2024/25. A year end committee effectiveness survey was completed by members and attendees asking their views on how effective the committee had been this year. Throughout 2024/25 the Committee will undertake more of a scrutiny and assurance methodology.

The FPI Committee met ten times in the period 1 April 2024 to 31 March 2025. The main items of business were:

- Financial group reporting audit recommendation
- Monthly ICB financial performance update
- Resource Allocation Group (RAG) update
- 2024/25 Planning Process Update
- Integrated Delivery Report
- Committee Terms of Reference revisions
- Infrastructure Board update
- Committee effectiveness review
- Infrastructure Strategy Update
- Dental Access Recovery
- Oversight Arrangements of Independent Sector – Patient Choice
- Mental Health, Learning Disability and Neurodiversity Update
- Finance Sustainability Group Update
- System Recovery Group Update
- Medium Term Financial Plan 25-26 update
- North Cumbria Integrated NHS Foundation Trust electronic patient record business-case letter of support for ratification
- Prevention Programme
- Deep dive: Elective, Cancer and Diagnosis
- Finance and Performance 25-26 operational planning update
- Weight loss drugs risk presentation
- Deep dive: Virtual Wards
- Risk Register and Board Assurance Framework

Main achievements and assurances

Financial

A number of significant potential financial risks have been successfully managed across the system during 2024/25, with organisations working collaboratively to deliver the position.

The ICB financial position was delivered in line with the revised plan agreed by Board; a total ICB surplus of £12.2m delivered against the revised plan surplus of £3.6m in order to offset pressures elsewhere in the ICS. A breakeven financial plan was agreed across the ICS for 2024/25 (after receipt of deficit support funding from NHSE), with a small surplus delivered overall (£0.4m).

Significant work has been undertaken to develop capital oversight arrangements with the Provider Collaborative to give the committee assurance over the management of capital spending plans and the ICS infrastructure strategy.

Following a challenging planning process for 2025/26, financial and operational plans for the ICB and ICB have been agreed and submitted within required timescales.

Performance

A significant amount of work has been undertaken to review and amend the format and content of the Integrated Delivery Report (IDR) including a review of the reported metrics resulting in a

refocus to national planning objectives. This work has also included a review of the broader range of metrics that feed into strategic programme groups and boards, and by exception into the IDR. This is an ongoing programme of work.

The Committee has also agreed a programme of Deep Dives into specific performance challenges or areas of significant interest. These Deep Dives have supported the Committee and ultimately the Board to develop a greater understanding of these challenges including; impact, causal factors and responses, taking learning and understanding from across the country and using national comparators where available.

Details of main challenges faced by the Committee during the year

There are significant recurring financial pressures across all organisations within the Integrated Care System, which is reflected in the medium-term financial plan which has been updated during the year and the financial plan agreed for 2025/26. A number of substantial financial pressures had to be managed across the system during the year.

The committee oversaw a process of independent review of financial grip and control measures across the ICS during the year, designed to support delivery of the system financial position.

A breakeven financial plan across the system has been agreed for 2025/26 which will be hugely challenging to deliver given the scale of efficiencies required and the level of unmitigated risk within the plan. Although the 2024/25 financial position has been successfully delivered, this has been supported by significant one-off benefits and non-recurring efficiencies which will not be available to the same extent in 2025/26.

There are a number of longstanding performance pressures across the system including:

- Long waits for elective care (Predominantly complex spinal procedures at Newcastle Hospitals NHS Foundation Trust and Urology wait times at North Cumbria Integrated Care NHS Foundation Trust)
- Reducing the cancer 62 backlog and delivery of the standard
- Children and Young People mental health waiting times
- Category 2 response time performance
- Urgent and Emergency Care access and waiting times including Ambulance handover delays
- Proportion of patients not meeting the criteria to reside that remain in an acute bed

Progress has been made in some areas, for instance a number of trusts were part of the NHS England escalation for elective and/or cancer and improvement was such that all but one trust has now been stepped down from this escalation.

Key issues to highlight to the Board

Financial

Total net financial risks identified in the 2024/25 financial plan amounted to £160m across the ICS. This has increased significantly in the 2025/26 financial plan, with total unmitigated risks of over £240m for the ICS.

The plan also requires delivery of efficiencies substantially higher than those delivered in 2024/25, with efficiencies of between 5-8% of turnover. This will be extremely challenging to deliver, has involved significant work around potentially difficult decisions, and presents a huge risk to delivery of the 2025/26 financial plan.

Performance

The areas noted in the previous section remain areas of focus with particular emphasis on Elective Recovery, Urgent and Emergency Care and Children and Young People mental health waiting times.	
Proposal to review terms of Reference?	To be reviewed in line with national 2025 strategic commissioning transition programme
Chair of the Committee	Jon Rush, Independent Non-Executive Member
Report Author	Richard Henderson, Director of Finance (Corporate) Craig Blair, Director of Strategy, Planning and Performance Jen Lawson, Head of Corporate Governance
Date:	June 2025