

REGION

Midlands

ICB / SYSTEM

Lincolnshire ICB

Introduction

Guidance:

Please provide some high level commentary about the joint capital plan which should be developed between the ICB and partner NHS Trust and foundation trusts – key strategic priorities, key schemes throughout the year, background to what happened last year, overview funding sources etc.

Lincolnshire has a CDEL of c£68m in 2022/23 and this will be fully maximised, noting that c£9m was been allocated on 17th March 2023 and this has been delivered also even with the extremely short-notice provided. This shows that Lincolnshire are able to deliver when requested and if further funding was made available, this would be fully maximised also as there is a history of delivery that has been shown.

Lincolnshire works collaboratively in relation to capital. There is an agreed capital SOP that is adhered to and this is used to form the capital allocations for each provider. There are open and transparent discussions around pressures and constraints on capital programmes and risks are escalated. Lincolnshire routinely updates the 5 year capital priorities and this is referred to when assessing any slippage opportunities.

Lincolnshire has consistent documentation when looking at investments and this aids the process.

The strategic objectives for capital cover:

- Management and efficient use of existing resources
- Advancing new technologies
- Transformational change opportunities

The key schemes to be progressed during the year are:

- Mental Health Dormitories – Boston
- Electronic Patient Record (ePR)
- Community Diagnostic Centre 2 – Skegness
- Endoscopy – Lincoln County Hospital
- Stroke Services
- Mortuary Development
- Critical infrastructure
- Cyber security

Assumed Sources of Funding for 2023/24

Guidance:

Please provide detailed of the overall funding envelopes to which the system will be working to.

Explain any assumptions (and related risks) associated with the assumed sources and quantum's of funding for the ICB and Partner Trusts

Draft table inserted which can be expanded upon.

Lincolnshire funding envelope is shown in the table below and the allocations to each provider have been signed off and agreed.

Risks are contained in the relevant section below.

2023/24 CDEL for Final Planning return

Funding Source	23/24 Capital £000	ULHT £000	LPFT £000	LCHS £000	Primary Care £000
Resources available by Organisation	28,037.0	19,874.0	3,757.0	2,926.0	1,480.0
System Envelope CDEL balancing amt (Not cash-backed)	314.0	235.0	44.0	35.0	0.0
Intra-System transfers - LPFT to ULHT & LCHS 23/24	0.0	603.0	-840.0	237.0	0.0
Sub-Total of balancing Operational Capital allocations	314.0	838.0	-796.0	272.0	0.0
Total Operational Capital	28,351.0	20,712.0	2,961.0	3,198.0	1,480.0
Endoscopy £'000	2,290.0	2,290.0	0.0	0.0	0.0
Community Diagnostic Centres £'000 - 2023/24 Offer	3,650.0	3,650.0	0.0	0.0	0.0
Sub-Total of New PDC allocations as part of the Lincolnshire envelope	5,940.0	5,940.0	0.0	0.0	0.0
Settlement Offer - Sub Total for Lincolnshire System Capital	34,291.0	26,652.0	2,961.0	3,198.0	1,480.0
Community Diagnostic Centres £'000 - 2022/23 FYE	1,035.0	1,035.0	0.0	0.0	0.0
Pilgrim ED (Wave 4b PDC)	7,218.0	7,218.0	0.0	0.0	0.0
MH Dormitories - Pilgrim (PDC)	8,100.0	0.0	8,100.0	0.0	0.0
Additional Capital based on prior year revenue performance	3,008.0	3,008.0	0.0	0.0	0.0
Sub-Total of agreements outside of the Lincolnshire settlement offer	19,361.0	11,261.0	8,100.0	0.0	0.0
Grand Total	53,652.0	37,913.0	11,061.0	3,198.0	1,480.0
IFRS16 - New ROU "operating leases" - Coverage provided		84.0	369.0	823.0	TBC

Overview of Ongoing Scheme Progression

Guidance:

Please provide an overview of scheme progression. Probably should only be schemes above a certain level

- Pilgrim ED – Progressing but slightly behind plan.
- Mental Health Dormitories – Boston. Enabling works complete and early fees to get to FBC stage.
- Electronic Patient Record (ePR) – OBC currently under review and update
- Endoscopy – Short-form business case being completed at the moment with a view to submit April/May 2023
- Community Diagnostic Centres 1 – Significant progress in 2022/23 but completion will be in H1 of 2023/24 as per signed off business case
- Community Diagnostic Centres 2 – Design team to be appointed soon and business case completed to submit through governance process

Risks and Contingencies

Guidance:

Insert any notable risks and/or contingencies associated with the capital plan. Consider RAG rating risks also.

Fundamentally, Lincolnshire's CDEL limit is significantly lower than the level of investment that is required. This is the biggest block to being able to deal with the key risks and developments that need to be resolved and/or invested in for the benefit of the Lincolnshire population.

Therefore the key risks are:

- Continued inability to invest in areas that require development
- Supply chain and worldwide resource issues
- Inflationary pressures
- Governance process in terms of business case approval
- Business cases produced exceed the funding available and directly impact back on Operational capital allocations and plans.

In short, how this is mitigated is as follows:

- Best endeavour maintenance and 'fixes' to delay issues – impacts on revenue costs of organisations
- Early discussions with suppliers to mitigate long lead times
- Risk appetite of organisations to go at risk or over-commit capital programmes knowing that this can be managed by the end of the financial year.
- Do minimum options are the only potential choice that can be made thereby losing some potential benefits that would be available.

Business Cases in 2023/24

Guidance:

Please insert detail of some of the key business cases in the ICB that are likely to be submitted in 2023/24.

The key Lincolnshire business cases that are likely to be submitted during 23/24 are:

- Mental Health Dormitories – Boston (to JISC in late summer 2023)
- Electronic Patient Record (ePR) – OBC currently under review and update
- Community Diagnostic Centre 2 – Skegness
- Endoscopy – Lincoln County Hospital
- Stroke Services
- Mortuary Development
- Research & Innovation

Cross System Working

Guidance:

If applicable, can you detail how your system capital plan is coordinated with other systems or providers located in other systems.

Lincolnshire system does not have any agreed co-ordinated approach to cross-system working directly with other ICBs or Systems.

However, there is direct contact with Regional colleagues and links to potential issues and/or slippage potentials that could support maximisation of national and regional capital objectives.

Further to this, there is information sharing that does take place around OBC/FBCs, funding bids, experiences that saves reinventing the wheel.

Due to future staffing changes (Director of Finance for ULHT moving to NUH), there is likely to be opportunity for greater cross-system working in the future.

Capital Planning & Prioritisation

Guidance:

Please detail how your system is prioritising available resources for investments which contribute to the wider local strategic priorities of the ICS, and maximise efficiencies within an affordable envelopes as well as how this aligns with and supports the ICS' wider infrastructure strategy - in particular, priorities and plans for future use and development of its estate and assets.

Lincolnshire is constantly reviewing the capital requirements to meet the needs of two key elements:

- BAU – investment required to keep the lights on
- Transformational – investment required to support continued improvements for the population of Lincolnshire.

Lincolnshire has just implemented a System Investment Group that brings together all the requirements of the key groups at both a local provider level and also from a strategic perspective. This covers Digital, Estates and Medical Devices.

This group will support the prioritisation process of available resources to ensure that services continue to be provided but that continued improvement is invested in.

This links back to the need to invest further funding into Lincolnshire as the BAU requirement to keep the lights on requires significant investment as has been shown in previous reports shared covering backlog maintenance, medical device replacement and digital infrastructure.



Annex A – INSERT NAME [Lincolnshire ICB] 2023/24 CAPITAL PLAN

	CDEL	ICB	ULHT	LPFT	LCHS	Total Full Year Plan £'000	Narrative on the main categories of expenditure
Provider	Operational Capital		£23,720	£2,961	£3,198	£29,879	Pilgrim Emergency Department Pilgrim Maternity Block enhancements Medical Equipment replacement programme Digital - ePR Digital – Cyber security / Technology refresh 2 nd MRI Scanner enabling works Estates CIR / BLM Stroke ASR Mortuary developments
ICB	Operational Capital	£1,480				£1,480	
	Total Op Cap						
Provider	Impact of IFRS 16		£84	£369	£823	£1,276	Operating Leases
ICB	Impact of IFRS 16						
Provider	Upgrades & NHP Programmes						
Provider	National Programmes (diagnostics, Front line digitisation, Mental Health, TIF)		£14,193	£8,100		£22,293	Pilgrim Emergency Department (Wave 4b) Community Diagnostic Centres Endoscopy MH Dormitories
Provider	Other (technical accounting)						
	Total system CDEL	£1,480	£37,997	£11,430	£4,021	£54,928	