

**ICB FINANCE AND RESOURCE COMMITTEE  
MINUTES OF THE MEETING HELD VIRTUALLY ON  
TUESDAY 21 FEBRUARY 2023 AT 2.00 PM**

<b>PRESENT</b>	
Julie Pomeroy (JP)	Non-Executive Member (LICB) - Chair
Matt Gaunt (MG)	Director of Finance (LICB)
Emma Rhodes (ER)	Associate Director of Operational Finance (LICB)
Simon Rudkins (SR)	Associate Director of Strategic Finance (LICB)
John Doherty (JD)	System Finance Lead
Jon Young (JY)	Deputy Director of Finance (ULHT)
Dani Cecchini (DC)	Non-Executive Director (ULHT)
Sam Wilde (SW)	Director of Finance (LCHS)
Murray Macdonald (MM)	Non-Executive Director (LCHS)
Reva Stewart (RS)	Director of Operations (LCHS)
Mark Platts (MP)	Director of Finance (LPFT)
Chris Wright (CW)	Non-Executive Director (LPFT)
<b>IN ATTENDANCE</b>	
Janet Bouch (JMB)	PA to Director of Finance, LICB (Minutes)
Richard Winter (RW)	Director (NHSE)
Jitka Roberts (JR)	System Improvement Director
Kate Goddard (KG)	Deputy Director of Finance (LPFT)
<b>APOLOGIES</b>	
Paul Matthew (PM)	Director of Finance (ULHT)
Michelle Harris (MH)	Deputy Chief Operating Officer (ULHT)
Chris Higgins (CH)	Director of Operations (LPFT)

<b>22/054</b>	<b>WELCOME AND INTRODUCTIONS</b>
	Julie Pomeroy welcomed everyone to the meeting and introductions were made.
<b>22/055</b>	<b>CONFLICTS OF INTEREST</b>
	JP asked if any members had any declaration of pecuniary and non-pecuniary interests and conflicts of interest for this meeting. None were identified.
<b>22/056</b>	<b>MINUTES OF THE PREVIOUS MEETING (24.01.23) AND ACTION LOG</b>
	All present agreed that the minutes were a true reflection of the meeting held on 24 January 2023. In terms of the action log, all the items were on the agenda.
<b>22/057</b>	<b>FINANCIAL UPDATE</b>
	<b>Month 10 Financial Position and Forecast Outturn</b>  ER presented the reported position for month 10 which has improved since the last meeting. The ICS has been highlighting a risk to delivery of a breakeven position for 2022/23.

	<p>The risk was initially quantified at £35.4m, this had been mitigated to £27.2m at M9 reporting and was reported at the last meeting. On 24 January 2023, the Committee received an update on progress to bridge the remaining £27.2m. Further work has since taken place and the system has been able to report a forecast of £21m deficit by the year end.</p> <p>Previously reported risks and mitigations are now included as part of the overall system £21m reported FOT deficit position. In M10 reporting to NHSE a risk of £1.8m was included relating to potential for ICB prescribing costs to increase above those currently included in the FOT. However, this has been mitigated by the potential for an additional £1.8m allocation for H2 Independent Sector Acute activity. Therefore, net zero risk position reported.</p> <p>Investment in improving Mental Health and Learning Disabilities facilities and services for several years has resulted in some areas of expenditure reducing. This along with other drivers has resulted in forecast spend against the Mental Health Investment Target falling short by £7.6m this financial year. This was formally reported to NHS England as part of Month 10 reporting.</p> <p>A meeting had taken place between John Turner, Gerry McSorley, Julie Pomeroy, Matt Gaunt and Emma Rhodes to approve the protocol pack prior to submission to NHSE. To date no queries have been raised by NHSE in terms of the content.</p> <p>Work will continue to monitor delivery against all risks/mitigations identified to ensure remain within expectations, reporting of M11 position to ensure this is in line with that outlined in the protocol pack, refinement of M10 underlying position to bridge from £21m deficit to £67m underlying.</p> <p>JP commented that consideration should be given to any measures to help the position for next year and to be realistic on feasibility.</p> <p>DC requested that the figures are shown in terms of spend and not allocation. ER to consider showing spend in each area and underspend profile. <b>Action: ER</b></p> <p>The Committee expressed thanks to all involved with improving the financial position.</p> <p><b>The Committee agreed to:</b></p> <ul style="list-style-type: none"> <li>• <b>Note the current position as described and thanks expressed.</b></li> <li>• <b>Receive on-going updates at each meeting.</b></li> </ul>
<b>22/058</b>	<b>DRAFT 2023/24 ICS FINANCIAL PLAN</b>
	<p>MG advised that the planning process is at the half-way stage and draft plans are to be submitted on 23.02.23 including delivery around specific elective and non-elective targets with 31 measures to show financial balance and this applies to each system for the next financial year.</p> <p>MG had met with East Midlands Directors of Finance and Lincolnshire has the best position out of the 5 organisations.</p> <p>SR gave a presentation to update the Committee on the current position which included the following highlights:</p> <ul style="list-style-type: none"> <li>• Whole system meeting of Deputies had taken place to share individual positions and review planning assumptions.</li> <li>• Nothing being contested inter-system at draft stage and there will be a further review ahead of final plan.</li> <li>• Out of county provider values are based on national planning guidance and contracts will reflect the flexible elective element to be paid on actual delivery.</li> <li>• Efficiency is a working view based on partner submissions in draft and the FRP will continue to underpin the detail.</li> </ul>

	<p>RW commented that the underlying position at the start of the financial year was about headcount during the pandemic and this is significant. Benchmarking against other systems is key.</p> <p><b>Recovery Plan</b></p> <p>JR updated that Committee that the system was due to exit NOF4 at the end of Q4 22/23. Unfortunately, the System failed meet the NOF4 exit conditions and accordingly, the System will remain in NOF4 for foreseeable future.</p> <p>NHSE have confirmed that it will be applying for the NOF4 extension for up to 12 months.and the outcome of the application is awaited.</p> <p>In the meantime, there is a lot of work taking place including the implementation of FRP governance so that the System can monitor the delivery of the FRP. The Committee will receive a monthly report which will be shared with LLG Board, Provider CEOs, and Provider Boards (if required).</p> <p>Four key areas of focus have been agreed:</p> <ul style="list-style-type: none"> <li>• UEC (including frailty)</li> <li>• Planned Care</li> <li>• Workforce</li> <li>• Corporate</li> </ul> <p>The System is currently working towards a saving target of £55 million but it is recognised that this target may/will change once the System submits its 23/24 Plan.</p> <p>The System has identified a total of £39.7m of CIP opportunities which represents circa 72% of the CIP target.</p> <p>MG commented that efforts are being made to broaden the work of the Collaboration, engagement with PCNs, GPs and Care Homes. The lead Executive for primary care is also overseeing issues within prescribing. JP summarised that the FRP will be a fundamental element of the meetings going forward and suggested deep-dive sessions into problem areas might be helpful.</p> <p>It was noted that the Committee has a role in assurance around the FRP process and is aligned to the ICB Board.</p> <p><i>MM and RW left the meeting at this point.</i></p> <p><b>The Committee agreed to:</b></p> <ul style="list-style-type: none"> <li>• <b>Note the progress made to date and look forward to further updates.</b></li> </ul>
22/059	<b>OUTLOOK FOR 2024/25 and 2025/26</b>
	<p>SR had completed some initial work on the outlook and undertook to update the information and present to the Committee at the next meeting. <b>Action: SR</b></p> <p><b>The Committee agreed to:</b></p> <ul style="list-style-type: none"> <li>• <b>Welcome a paper at the next meeting.</b></li> </ul>
22/060	<b>INVESTMENT PRIORITISATION METHODOLOGY</b>
	<p>JD presented the paper and sought the Committee's approval of the proposed Investment Protocol and Prioritisation Framework to ensure an effective investment decision making process and assist in ensuring the systems pathway to financial sustainability.</p>

	<p>The Prioritisation Framework will be the primary decision-making tool and will consider the strength of each proposal against six core areas using a weighted scoring framework. Each investment proposal will be given a score calculated against the framework. The score generated will then assist the panel in their decision-making process.</p> <p>SW requested that the section around national priorities and disinvestment be reviewed for additional clarify. <b>Action: JD</b></p> <p><b>The Committee agreed to:</b></p> <ul style="list-style-type: none"> <li>• <b>Approve the document subject to the amendment requested and welcomed a review in six months.</b></li> </ul>
<b>22/061</b>	<b>CAPITAL OUTLOOK</b>
	<p>SR advised that £50m capital funding is available for 2023/24 and there may be a need to think differently around how capital is allocated across the system for maximum benefit.</p> <p>DC commented that ULHT have a significant backlog of estate issues which impact upon safe practice which needs to be factored into any plans. MG advised that there is a need to understand the risk around the estate and the impact upon service. Any risks arising from capital issues would appear on the ICB strategic risk log.</p> <p>It was agreed that a paper would be presented to the next Committee meeting to allow a wider debate. <b>Action: SR</b></p> <p><b>The Committee agreed to:</b></p> <ul style="list-style-type: none"> <li>• <b>Receive a paper at the next meeting for discussion.</b></li> </ul>
<b>22/062</b>	<b>ITEMS FOR ESCALATION TO BOARDS</b>
	<p>The Committee agreed to include the following for escalation to Boards:</p> <ul style="list-style-type: none"> <li>• Financial position and outturn deficit aim of £21m.</li> </ul> <p><b>The Committee agreed to:</b></p> <ul style="list-style-type: none"> <li>• <b>Note the items to be included for escalation to Boards.</b></li> </ul>
<b>22/063</b>	<b>ANY OTHER BUSINESS</b>
	There were not items of any other business.
	<b>DATE AND TIME OF NEXT MEETING</b>
	The next meeting of the ICB Finance and Resource Committee will take place MS Teams on Tuesday 21 March 2023 at 2.00 pm