

## BOARD MEETING

<b>Title</b>	Finance Report Month 8 (November) 2023/24		
<b>Paper Date:</b>	2 January 2024	<b>Meeting Date:</b>	16 January 2024
<b>Purpose:</b>	Assurance	<b>Agenda Item:</b>	13
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### Executive Summary

This paper sets out the financial position of the Integrated Care Board (ICB) and the wider Integrated Care System (ICS) at the end of November (M8) 2023/24.

The ICB has overspent by £14.0m year to date (YTD). This is due to pressure in prescribing, continuing healthcare, mental health placements and independent sector activity for ophthalmology.

The ICS has reported a YTD deficit of £44.8m (M7 £64.0m). The improvement is mainly driven by the receipt of additional national funding of £23.9m to cover the costs of Industrial action to November 2023 and other system pressures.

A system reforecast exercise was completed in November resulting in a revised forecast deficit of £44.3m (compared to planned £20.4m) for the system as a whole and £26.3m (compared to breakeven plan) for the ICB. The system will report this revised forecast deficit at M10 once a formal reforecast has been agreed at each organisation that makes up the BOB ICS.

The system reforecast exercise assumed no further Industrial action as per national guidance so the additional strikes by junior doctors in December and January will impact on the position potentially causing further deterioration. Extra reporting required nationally at M9 will identify the additional costs associated with this action.

### Action Required

This report has been reviewed by the System Productivity Committee which has reported the outcome of its meeting. The Board is asked to note the revised system forecast for a deficit of £44.3m and to consider the level of assurance that pertains to the following:

- The ICB's ability to meet its revised forecast considering year-to-date performance, prospective risks and plans to address overspends.
- The ICS's ability to meet its revised forecast considering year-to-date performance and prospective risks.

### Conflicts of Interest

Conflict noted: conflicted party can participate in discussion and decision

This report contains information including the financial performance of organisations that partner members of the Board lead/are employed by. ICB funding contributes to the pooled budgets with Buckinghamshire Council and the contract held by GP practices, so the local authority and primary care partner members of the board are potentially conflicted. The perspective of these members is an important aspect to enable the Board to focus on where the ICB and system contribute to improvement.

### Date/Name of Committee/ Meeting, Where Last Reviewed:

19 December 2023, Additional System Productivity Committee; 10 January 2023, System Productivity Committee

# 13. Finance Report

Month 08 2023/24

## **Integrated Care System (ICS)**

- On 22 November, the ICS submitted a system reforecast to NHSE with a revised forecast for the system of £47.55m deficit i.e. £27.1m worse than the planned deficit of £20.4m. This was driven by a £22.5m deficit forecast for the ICB compared to planned breakeven and £9.2m deficit for Oxford University Hospitals (OUH) compared to planned deficit of £2.9m. These deficits are offset by a small improvement in the forecast for Berkshire Health care (BHFT) of £1.7m while the other 3 Trusts in the system forecast to achieve their plans after receipt of the additional funding for industrial action (IA).
- NHSE further challenged the system to improve on this forecast. A revised forecast of £44.3m deficit was submitted on 8 December to reflect further planned improvements to provider positions made possible by implementation of modern equivalent asset (MEA) valuations in 4 out of 5 providers and assumptions relating to increased activity. An additional change to the ICB forecast was agreed to £26.3m deficit offset by a £3.8m improvement to OUH due to additional Specialised Commissioning funding agreed with NHSE.
- In early November and as part of the System reforecast exercise, NHSE confirmed additional funding of £800m for systems (of which £23.9m was for BOB ICS) as well as changes to Elective Recovery Fund (ERF) targets to cover the costs of IA and other system pressures. This non recurrent funding is reflected in the M8 reported figures for providers and in their reforecasts submitted in November.

## **Integrated Care Board (ICB)**

- There is an ongoing challenge for the ICB to identify and deliver further areas to stop or delay expenditure to ensure this forecast is delivered.
- The best case forecast outturn is for a deficit of £26.3m with the worst case at £40.0m
- It should be noted that the submission of a deficit plan for the ICB indicates that the ICB will not achieve its statutory financial targets for 2023/24. An organisations that does not deliver breakeven by year end will receive a qualified audit and value for money opinion as it will have failed to achieve its financial duties. The External Auditors will issue a S30 report to the Secretary of State.
- Any system overspend has to be repaid in future years adding to the planning challenge going forward.

## ICB

- The ICB reported a YTD deficit at M8 of £14.0m (M7 £14.5m) and a breakeven forecast outturn as per plan. The assessed FOT has improved to **c£24m deficit\*** (M7 £33m, M6 £39m). The improvement is due to further release of Pharmacy, Optometry and Dental (POD) reserves and a Directorate review of expenditure that could be stopped or delayed to mitigate the financial position. The executive have reviewed further mitigations as part of the national system reforecast submission during November. c£12m of actions have been reflected in M8 position and a further £6.7m are possible for future months but this is not sufficient to bring the ICB back to the reforecast position.
- Prescribing has improved this month as year-on-year growth improves, allowing a £1.6m improvement to the forecast. The continuing health care (CHC) YTD position continued to deteriorate but at a lower rate than in previous months (£0.5m impact on the forecast). Mental Health placements forecast has been reviewed and the FOT has been reduced by £1.2m.
- The ICB has not delivered its main financial target - YTD variance to plan and FOT forecast deficit compared to breakeven plan. The Better Payment Practice Code (BPPC) target by value was achieved for payments to both NHS and non-NHS providers.

\* This is the internally reported FOT produced on the same basis as previous months. It does not include all risks and mitigations. The final reforecast of £26.3m referred to in slide 2 includes an assessment of all risks and mitigations to year-end.

## ICS

- BOB ICS reported a M8 YTD deficit of £20.4m and an adverse variance to plan of £18m (M7 £37.8m). The improvement in month of £19.8m is driven by the providers reflecting the additional national funding for system pressures including industrial action (M7 £2.9m deterioration, M6 £4.5m, M5 £2.2m, M4 £10.9m, M3 £6.4m).
- The OUH variance to plan has improved by £15m in month driven by the IA funding – see table 3.
- Savings delivery for the system YTD – reported savings delivery is close to plan, £97m of savings were planned to be delivered by the ICS by M8 (M7 £83.1m) with £99m reported as achieved (M7 £83.3m).
- At M8 the system forecast is that it will no longer meet the agency cap set by NHSE. Oxford Health still forecast a £11.8m overspend against plan but Royal Berkshire (RBFT) are now reporting breakeven from a forecast underspend of £2.5m last month.
- Net Risk (after mitigations) for the system now totals £18m (M7 £58.5m). The main driver to the reduction in risks is the additional funding for IA, changes to the ERF/API targets and the System reforecast exercise. OUH net risk is now £6.2m (M7 £31.5m). The ICB net risk has improved to £11.2m (M7 £21.5m) while RBFT have reduced their net risk to £0.6m (M7 £5.5m). Other providers are reporting all identified risks as fully mitigated leaving zero net risk to their positions. Risks in providers relate to additional cost pressures and to income/contracts.

**Table 1 – ICB Dashboard of key financial duties as required by NHS E**

Indicator	Target	RAG
Actual Year to Date	Breakeven	X
Reported Forecast outturn/System reforecast Nov 2023	Breakeven	X
Running costs Actual Year to Date	Breakeven	✓
Running Costs Forecast Outturn	Breakeven	✓
ICB Capital outturn vs allocation	Breakeven	✓
Cash balance less than 1.25% of cash drawdown for month	<1.25%	✓
Mental Health Investment Standard Achieved	9.19%	✓
Better Payment Practice Code - Non NHS (by value)	96%	✓
Better Payment Practice Code - NHS (by value)	96%	✓
Note: Cash draw down as % of Cash Drawdown Requirement	67.60%	X

- The ICB has reported a YTD deficit of £14m (M7 £14.5m) and is therefore rated as red YTD.
- The reported forecast outturn at M8 is for breakeven as per national reporting requirements but the system reforecast was for a £22.5m deficit for the ICB (subsequently increased to £26.3m deficit) so the RAG rating has been moved to red.
- The running cost FOT is currently reported as on plan and there is a small underspend of £278k YTD. The costs of the new organisational structures are in excess of allocation but are not fully recruited to at this stage. The ICB would overspend its running cost allocation if all posts were to be recruited. A vacancy control panel is now in place and the ICB is expected to achieve breakeven. The ICB also needs to plan for a running cost reduction of 20% in 2024/25 and a further 10% in 2025/26. A review of the organisational structure is in progress and is due to complete in March 2024.
- Both NHS providers and Non-NHS providers hitting the 95% BPPC target (by value) for payment of invoices.
- Cash drawdown to M8 was in excess of Cash Drawdown Requirement by 1% (£33.7m)

# ICB Position M8

Table 2 – Financial position – ICB Overview by service line

BOB ICB OVERALL by Service Line Monthly Performance Report	YTD Budget Month 8 £'000	YTD Actual Month 8 £'000	YTD Variance Month 8 £'000	Annual Budget Month 8 £'000	Forecast Outturn Month 8 £'000	Forecast Variance Month 8 £'000	Forecast Variance Month 7 £'000	Movement in Forecast Variance £'000
Acute	1,172,913	1,184,053	(11,140)	1,751,231	1,764,389	(13,158)	(9,347)	(3,811)
Community Health Services	254,724	256,952	(2,228)	383,035	386,550	(3,515)	(5,109)	1,594
Continuing Care	126,700	139,288	(12,588)	190,857	208,347	(17,490)	(18,025)	535
Mental Health	221,139	221,380	(242)	330,785	337,899	(7,114)	(8,359)	1,244
Other Programme	7,230	(9,079)	16,309	22,988	(24,427)	47,415	50,705	(3,290)
Primary Care	28,267	28,585	(318)	42,710	42,665	45	0	45
Prescribing, Central Drugs and Oxygen	180,361	187,922	(7,562)	270,541	280,723	(10,182)	(11,865)	1,683
Pharmacy, Optometry and Dentistry (POD)	88,502	85,835	2,667	135,361	131,361	4,000	2,000	2,000
Delegated Co-Commissioning	222,339	222,339	(0)	319,517	319,517	0	0	0
<b>Total Programme Costs</b>	<b>2,302,175</b>	<b>2,317,276</b>	<b>(15,101)</b>	<b>3,447,024</b>	<b>3,447,024</b>	<b>0</b>	<b>0</b>	<b>0</b>
ADMIN Costs	22,532	22,254	278	33,798	33,798	0	0	0
<b>NET SURPLUS / (DEFICIT) before CIP</b>	<b>2,324,707</b>	<b>2,339,530</b>	<b>(14,824)</b>	<b>3,480,822</b>	<b>3,480,822</b>	<b>0</b>	<b>0</b>	<b>0</b>
Unidentified CIP target	(4,667)	(5,462)	795	(7,000)	(7,000)	0	0	0
<b>NET SURPLUS / (DEFICIT)</b>	<b>2,320,040</b>	<b>2,334,069</b>	<b>(14,028)</b>	<b>3,473,822</b>	<b>3,473,822</b>	<b>0</b>	<b>0</b>	<b>0</b>

- The main drivers of the £14.m YTD overspend for the ICB at M8 continue to be CHC, prescribing, activity at Independent sector providers of cataract surgery driven by patient choice and MH placements

# ICB Risks & Mitigations to Forecast M8

## **Risks:**

- Operational risks related to payments for elective overperformance (“ERF”), high-cost drug use, continuing health care and prescribing
- Assumptions for system development funding claw-back where allocations and associated costs cannot be halted
- Settlement of contractual arrangements in connection with some historic agreements

## **Mitigations to achieve the reforecast:**

- Review of dental clawback for 2023/24 and potential for any mitigations that can be utilised this year
- Review of Community Equipment and potential to capitalise c£5.0m

## **Ongoing core actions:**

- Executive team and all budget holders/managers to continue to review spend and identify areas that can be stopped or delayed especially where new funding comes in before year end.
- On going review of Service Development Fund (SDF) allocation especially where implementation of schemes is known to be slipping.
- Continue with financial controls such as vacancy panel and hold all discretionary non-pay expenditure

# System wide under/(overspend) by organisation

The overall financial position of the ICS is shown below (The forecast is as reported nationally and does not yet reflect the system reforecast exercise undertaken in November.)

**Table 3 – System under/(overspend) by organisation –**

ICS Body	In Month (M8)			Year to Date			Forecast Outturn		
	Plan	Actuals	Variance	Plan	Actuals	Variance	Plan	Actuals	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Berkshire Healthcare	0.4	(0.0)	(0.5)	(0.9)	0.6	1.5	1.3	1.3	(0.0)
Buckinghamshire Healthcare	(1.3)	(0.6)	0.7	(13.0)	(13.1)	(0.1)	(12.1)	(12.1)	0.0
Oxford Health	0.5	1.4	0.9	2.2	3.9	1.7	3.3	3.3	0.0
Oxford University Hospitals	(2.6)	12.6	15.1	(9.9)	(14.7)	(4.8)	(2.9)	(2.9)	0.0
Royal Berkshire Hospital	(0.1)	1.5	1.6	(5.6)	(7.6)	(1.9)	(10.1)	(10.1)	0.0
<b>ICS Providers</b>	<b>(3.0)</b>	<b>14.8</b>	<b>17.8</b>	<b>(27.2)</b>	<b>(30.8)</b>	<b>(3.6)</b>	<b>(20.4)</b>	<b>(20.4)</b>	<b>0.0</b>
BOB ICB	0.0	0.5	0.5	0.0	(14.0)	(14.0)	0.0	0.0	0.0
<b>BOB ICS Bodies</b>	<b>(3.0)</b>	<b>15.3</b>	<b>18.3</b>	<b>(27.2)</b>	<b>(44.8)</b>	<b>(17.7)</b>	<b>(20.4)</b>	<b>(20.4)</b>	<b>0.0</b>



# System Wide Under/(overspend) by expenditure type

Table 4 – System under/(overspend) by type of expenditure

Expenditure Category	In Month (M8)			Year to Date			Forecast Outturn		
	Plan	Actuals	Variance	Plan	Actuals	Variance	Plan	Actuals	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Income</b>	<b>602.5</b>	<b>661.5</b>	<b>59.0</b>	<b>2,401.7</b>	<b>2,487.0</b>	<b>85.3</b>	<b>3,614.4</b>	<b>3,633.4</b>	<b>19.0</b>
Pay	(361.5)	(381.2)	(19.7)	(1,454.3)	(1,505.8)	(51.6)	(2,175.8)	(2,186.6)	(10.9)
Non - Pay	(231.2)	(259.1)	(27.8)	(923.8)	(971.9)	(48.0)	(1,382.9)	(1,396.2)	(13.4)
Non - Operational Expenditure	(12.7)	(6.4)	6.3	(50.8)	(40.1)	10.7	(76.2)	(71.0)	5.2
<b>Total Expenditure</b>	<b>(605.5)</b>	<b>(646.7)</b>	<b>(41.2)</b>	<b>(2,428.9)</b>	<b>(2,517.8)</b>	<b>(88.9)</b>	<b>(3,634.8)</b>	<b>(3,653.9)</b>	<b>(19.0)</b>
<b>NHS Providers</b>	<b>(3.0)</b>	<b>14.8</b>	<b>17.8</b>	<b>(27.2)</b>	<b>(30.8)</b>	<b>(3.6)</b>	<b>(20.4)</b>	<b>(20.4)</b>	<b>0.0</b>
BOB ICB	0.0	0.5	0.5	0.0	(14.0)	(14.0)	0.0	0.0	0.0
BOB ICS Bodies	(3.0)	15.3	18.3	(27.2)	(44.8)	(17.7)	(20.4)	(20.4)	0.0

# Key points per body

## **Berkshire Healthcare :**

- The Trust continues to report better than plan with no change to drivers in month i.e. £1.5m better than plan YTD (M7 £1.6m). Pay award pressures have been offset by the fact that Trust has not been able to recruit to all posts in the plan. Utilities costs in PFI contracts have been lower than expected and interest receivable is ahead of plan.

## **Buckinghamshire Healthcare :**

- The Trust have a YTD deficit of £13.1m which is worse than plan by £0.1m. The YTD position includes £4.3m additional NR funding to cover IA and other pressures received via BOB ICB. This has not improved the position from plan as it is offset by assumptions around delivery of one-off items such as the expected PFI contract benefit.
- Further industrial action in December and January will result in additional costs incurred and lost margin on activity that cannot be delivered.

## **Oxford Health :**

- Agency costs are still not on track. Medical agency costs have not reduced as planned but agency nursing and other agency staff categories have. There is a risk that the Trust may miss the agency ceiling target and could drive the ICS over the agency ceiling. The Trust has identified the need for additional controls in this area as some are being circumvented.

## **Oxford University Hospitals:**

- The OUH were £4.8m (M7 £21.3m) behind plan this month. The improvement on the previous month is due to the impact of £13.0m non-recurrent funding received to cover IA and other pressures.
- The Trust underlying deficit had however increased to £7.3m (M7 £6m) in month. The drivers for this in month are being investigated.
- The underlying deficit is predominantly due to excess inflation cost rises, continued high usage of temporary staffing and savings that have not yet offset these effects.

## **Royal Berkshire Hospital :**

- RBFT reported £3.6m behind plan YTD (M6 £3.5m). The YTD position includes £4.8m additional NR funding to cover IA and other pressures. This has not improved the position from plan as other pressures have offset.
- Costs have increased as activity is up significantly – day cases and electives are both up compared to previous months.
- There have been adverse impacts re energy bills and pathology costs and an uptick in nursing costs which are being investigated.

# Common themes by type of expenditure

**Provider Income** : A YTD overachievement of £85.3m (M7 46.7m) is reported. The drivers for this include additional system funding from NHSE for IA, agenda for change pay award paid in M3, Medical pay award in M6 and other Commissioner SDF/Pass through funding.

**Provider Pay Costs** : A YTD overspend of £51.6m (M7 £40.7m) is reported. Agency and Bank spend drives this, some of which is linked to industrial action and recovery work. Table 5 shows providers have spent £54m (M7 £8m) on agency/locums for the year to date (excluding Bank staff), £8.4m in excess of plan. The system forecast at M8 exceeds the cap.

**Non-Pay Expenditure** : Overall non-pay expenditure is overspent by £48.0m at M8 (M7 £34.4m).

**Table 5: Agency spend against plan and as a % of cap is shown below:**

Provider	M8 Year To Date			Forecast Outturn		
	Plan	Actual	Variance	Plan	Actual	Variance
	£m	£m	£m	£m	£m	£m
Berkshire Healthcare	3.5	5.6	(2.0)	5.1	8.3	(3.2)
Buckinghamshire Healthcare	10.9	7.5	3.4	16.3	16.3	0.0
Oxford Health	15.7	24.8	(9.1)	23.6	35.3	(11.8)
Oxford University Hospitals	6.7	10.8	(4.1)	10.0	14.3	(4.3)
Royal Berkshire Hospital	8.8	5.3	3.5	13.1	13.1	0.0
<b>ICS Providers</b>	<b>45.6</b>	<b>54.0</b>	<b>(8.4)</b>	<b>68.1</b>	<b>87.4</b>	<b>(19.3)</b>
System Level Agency Cap				83.8		
Agency spend as % of agency cap	<b>54.3%</b>	<b>64.4%</b>		<b>81.2%</b>	<b>104.2%</b>	

Oxford Health is the main driver of the ICS variance to plan both YTD and FOT. YTD overspends at OUH and BHFT are offset by underspends at BHT and RBFT but not in the FOT.

**Table 6 Provider pay costs variance by organisation**

Provider	M8 Variance To Plan	
	In Month	YTD
	£m	£m
Berkshire Healthcare	(0.5)	1.4
Buckinghamshire Healthcare	(6.3)	(14.8)
Oxford Health	(2.1)	(5.4)
Oxford University Hospitals	(7.7)	(24.0)
Royal Berkshire Hospital	(3.1)	(8.8)
<b>ICS Providers</b>	<b>(19.7)</b>	<b>(51.6)</b>

**Table 7 Non-Pay spend analysis by provider**

Provider	M8 Year To Date		
	Plan	Actual	Variance
	£m	£m	£m
Berkshire Healthcare	55.3	59.1	(3.8)
Buckinghamshire Healthcare	144.4	157.0	(12.6)
Oxford Health	152.0	154.0	(2.0)
Oxford University Hospitals	415.0	437.0	(22.0)
Royal Berkshire Hospital	157.1	164.7	(7.6)
<b>ICS Providers</b>	<b>923.8</b>	<b>971.9</b>	<b>(48.0)</b>

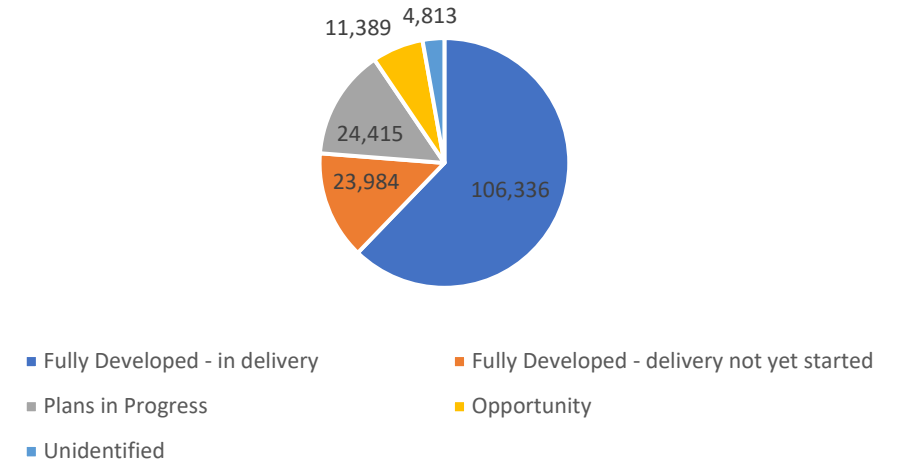
# Efficiencies

- The ICS has a planned total of £171.2m (£143.3m in 2022/23) of savings to be delivered by year end (Providers £152m).
- Of this £99m (M7 £83m) has been delivered to date against a plan of £97m.
- The total savings planned are split £124.9m Recurrent and £46.3m Non-Recurrent.
- £56m recurrent savings have been delivered to date by providers £22m behind the plan; and £43m Non-Recurrent savings have been delivered £24m ahead of plan.

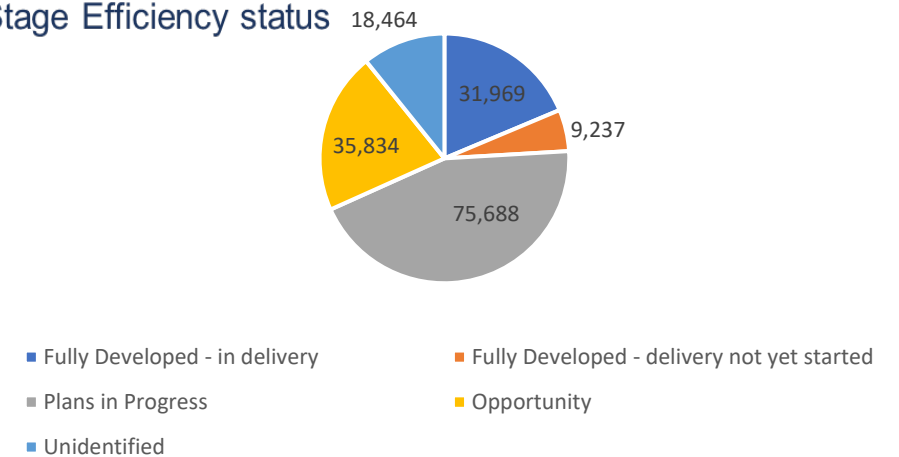
**Table 8 – Status of Provider efficiency plans:**

Provider Efficiency Status	Change in status - M8 from M7	% Split M8	% Split M7	% Split M6	% Split Plan	M8	M7	M6	Plan
						£m	£m	£m	£m
Fully Developed - In Delivery	↑	62.11%	46.11%	43.10%	27.10%	94,424	78,917	73,780	41,206
Fully Developed - Delivery not yet started	↑	11.17%	9.36%	10.93%	0.00%	16,984	16,020	18,706	0
Plans In Progress	↓	16.06%	23.65%	23.63%	41.78%	24,415	40,486	40,453	63,521
Opportunity	↓	7.49%	16.21%	19.22%	20.21%	11,389	27,746	32,906	30,732
Unidentified	↓	3.17%	4.66%	3.12%	10.90%	4,813	7,984	5,348	16,566
<b>Total</b>						<b>152,025</b>	<b>152,026</b>	<b>152,026</b>	<b>152,026</b>

M8 Efficiency FOT status



Plan Stage Efficiency status



Tables 9a and b – System risks are shown below by provider and by risk category

Provider	Forecast at M8		
	Gross risk	Mitigation	Net risk
	£m	£m	£m
Berkshire Healthcare	(1.6)	1.6	0.0
Buckinghamshire Healthcare	(23.0)	23.0	0.0
Oxford Health	(6.6)	6.6	0.0
Oxford University Hospitals	(61.9)	55.7	(6.2)
Royal Berkshire Hospital	(9.1)	8.4	(0.6)
<b>ICS Providers</b>	<b>(102.2)</b>	<b>95.4</b>	<b>(6.8)</b>
ICB	(25.2)	14.0	(11.2)
<b>ICS Total</b>	<b>(127.4)</b>	<b>109.4</b>	<b>(18.0)</b>

Risk category	Gross Risk	Mitigations	Net Risk
	£m	£m	£m
	Additional costs - winter pressures/capacity	(26.0)	19.8
Efficiency delivery risk	(65.6)	65.6	0.0
ERF clawback	(7.2)	3.5	(3.7)
Income risk	(17.9)	15.4	(2.5)
Contract risk	(8.0)	3.0	(5.0)
Underfunding of pay awards - A4C and Medical	(1.2)	0.5	(0.6)
Additional costs of industrial action	(1.4)	1.4	0.0
Delegated co-commissioning	0.0	0.0	0.0
GP Dispensing charges	0.0	0.0	0.0
<b>ICS Providers</b>	<b>(127.4)</b>	<b>109.4</b>	<b>(18.0)</b>

- Gross risks have decreased to £127.4m at M8 (M7 £162.4m) and net risks have decreased to £18m (M7 £58.5m).
- The ICB net risk has reduced to £11.2m (M7 £22m).
- Risks have reduced due to additional system funding to cover IA and other pressures and has been re-assessed following the System Reforecast exercise in November

**Table 10 – System capital position – total charge against capital allocation (before impact of IFRS 16)**

Organisation	Plan	Actual	Variance		Plan	Forecast	Variance	
	YTD	YTD	YTD	YTD	FOT	FOT	FOT	FOT
	£m	£m	£m	%	£m	£m	£m	%
Berkshire Healthcare	4.6	3.1	1.5	32.4%	11.5	9.2	2.3	20.2%
Buckinghamshire Healthcare	13.8	4.9	9.0	64.8%	21.3	21.3	0.0	0.0%
Oxford Health NHS Foundation Trust	6.4	4.8	1.6	24.7%	12.1	12.1	0.0	0.0%
Oxford University Hospitals NHS Foundation Trust	15.1	5.2	9.9	65.3%	28.5	34.3	(5.7)	-20.1%
Royal Berkshire NHS Foundation Trust	18.3	6.7	11.5	63.1%	27.4	21.4	6.0	21.9%
<b>ICS Providers</b>	<b>58.2</b>	<b>24.8</b>	<b>33.4</b>	<b>57%</b>	<b>100.9</b>	<b>98.3</b>	<b>2.6</b>	<b>3%</b>
ICB	0.6	0.5	0.0	0.1%	3.4	3.4	0.0	0.0%
<b>ICS Total</b>	<b>58.8</b>	<b>25.3</b>	<b>33.4</b>	<b>57%</b>	<b>104.2</b>	<b>101.6</b>	<b>2.6</b>	<b>2%</b>

- ICS providers have underspent against ICS capital plan by £33.4m YTD at M8 (M7 £29.1m).
- RBFT are now reporting to be under plan by £6m and OUH over by £5.7m, BHFT is £2.3m under plan. The BHFT capital plan included £2.3m over programming which is allowed at plan stage. The forecast for BHFT now excludes the over programming, meaning the ICS forecast spend is now in line with the £98.5m capital allocation for the ICS providers (before impact of IFRS 16).
- From M8 providers are required to manage capital expenditure including the impacts of IFRS 16 – most systems in the Southeast have pressures arising as a result of this change and are working with Regional NHSE colleagues to manage this.

# Glossary of Terms

Term	Explanation
2023/24	Financial Year from 1 April 2023 to 31 March 2024
ALOS	Average Length of stay
API	Aligned Payment and Incentive - Payment mechanism covering almost all NHS provider activity and comprises fixed and variable elements. Almost all elective activity, and all activity which forms part of the ERF, is included in the variable element and is paid for using NHS Payment Scheme unit prices.
ARRS	Additional Roles Reimbursement Scheme for Primary care. NHS E reimburse costs of additional roles such as Pharmacists, Paramedics, MH workers retrospectively ie after the additional costs have been incurred.
BOB	Buckinghamshire, Oxfordshire and Berkshire West
Break even	Where actual costs are the same as planned
Capital	Property, plant or equipment held for use in delivering services that are expected to be used for more than one financial year
Category M drugs	Multiple source and widely available generic drugs
CCG	Clinical Commissioning Group - predecessor organisations to the ICB
CHC	Continuing Healthcare - free social care for people with long term complex health needs that is funded solely by the NHS
Deficit	Expenditure in excess of resources
ERF	Elective Recovery Funding
Fast-Track	NHS Continuing Healthcare Fast-Track pathway for those where health is deteriorating quickly or nearing the end of life
FNC	Funded Nursing Care - for people not eligible for CHC but assessed as requiring nursing care in a care home. NHS pay a contribution towards the cost of registered nursing care.
FOT/Forecast	Forecast Outturn - forecast spend at end of the financial year
ICB	Integrated Care Board
ICS	Integrated Care System - consists of ICB and provider organisations in Buckinghamshire, Oxfordshire and Berkshire West.
Mitigations	Actions taken/to be taken to reduce impact of risks
NCA	Non-contracted activity
NCSO	"No cheaper stock obtainable" - generic drug not available at tariff price, higher cost items need to be used
Overspend/Adverse	Actual costs are more than planned
POD services	Pharmacy, Ophthalmology and Dental services delegated to ICBs from NHS E regional teams from 2022-23
Under spend/Favourable	Actual costs are less than planned
Variance	Difference between actual expenditure and plan
YTD	Year to date