



**Lancashire and
South Cumbria**
Integrated Care Board

AGM

Annual General Meeting

www.lancashireandsouthcumbria.icb.nhs.uk/AGM2024

Chair's welcome

Emma Woollett

NHS Lancashire and South Cumbria ICB chair

Beyond the challenge: moving into delivery

Chief executive's state of the system report



What I'm going to cover today

- Our vision
- Our year in numbers
- Success stories
- Recovery and transformation
- The power of place
- Continuing our journey of transformation
- So, what do we plan to focus on?
- Moving further faster: the challenge of delivery

Our vision

Vision: High-quality, community-centred health and care system by 2035, focusing on prevention, wellbeing, and early intervention.

Strategic goals:

- Transform care in the community.
- Reconfigure acute clinical services.
- Improve quality and resource use.

Commissioning priorities:

- Sustainable, integrated clinical services.
- Shift care to the community, especially for mental health and autism.



In order to achieve our vision, we need to do three things – transform care in the community, reconfigure acute clinical services and improve quality.

Our year in numbers!

2

Hospital ratings improved

£5m

Reduced agency costs

20

New contracts for CYP mental health

72.6%

Diagnosed hypertension

74%

Avoiding hospital admissions

90%

assessments within 28 days

£175m

System deficit

£241m

Savings realised



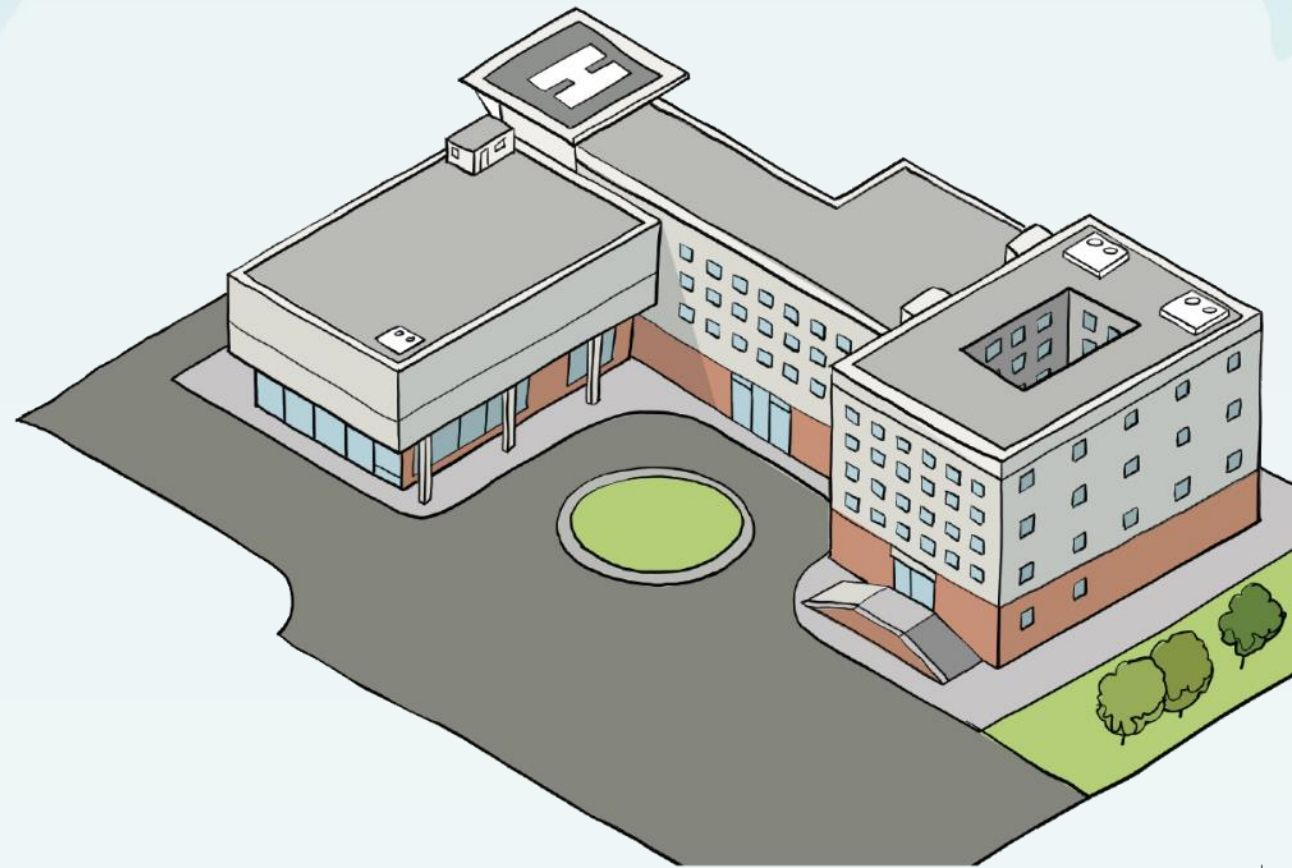
Success stories

- Transfer of community and CAMHS
- Urgent and emergency care performance
- Tackling health inequalities in Priority wards
- Controlling spend
- WorkWell



Recovery and transformation

- History of challenge
- System in intervention
- Three key areas of focus:
 - Reduce waste and duplications
 - Improve quality
 - Transform
- Mental health, learning disabilities and autism



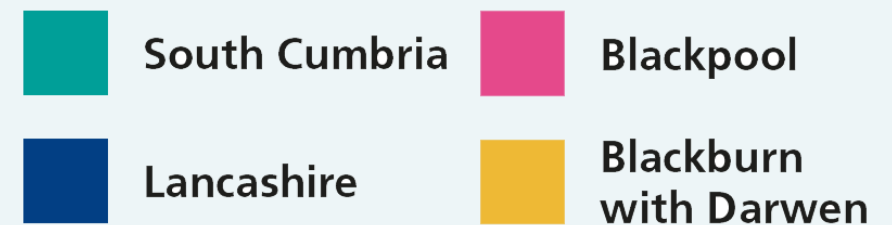
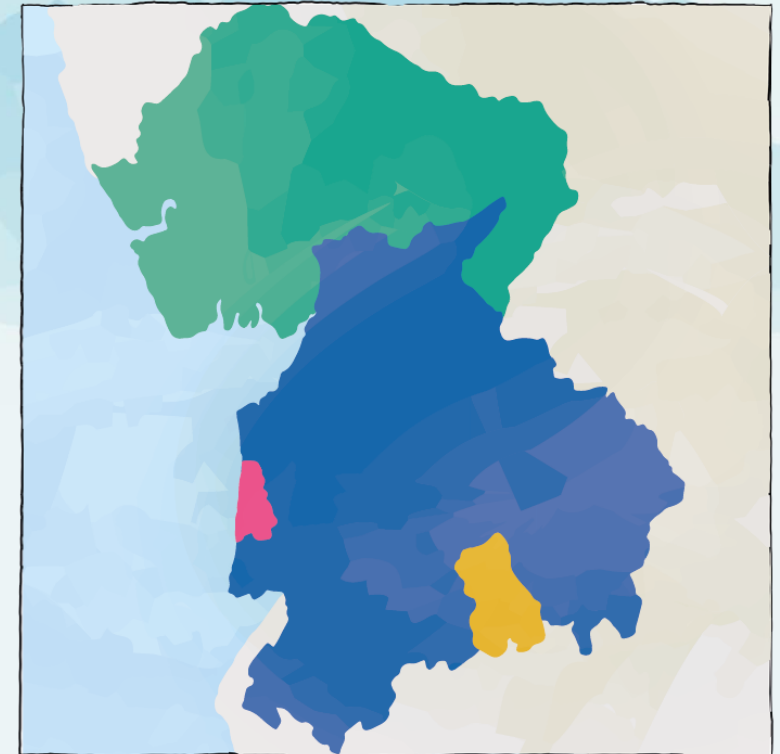
Power of place

Strategic importance of 'Place':

- Central to delivering health and wellbeing improvements by organising care at the local level.
- Aims for a high-quality, community-centric, integrated care system.

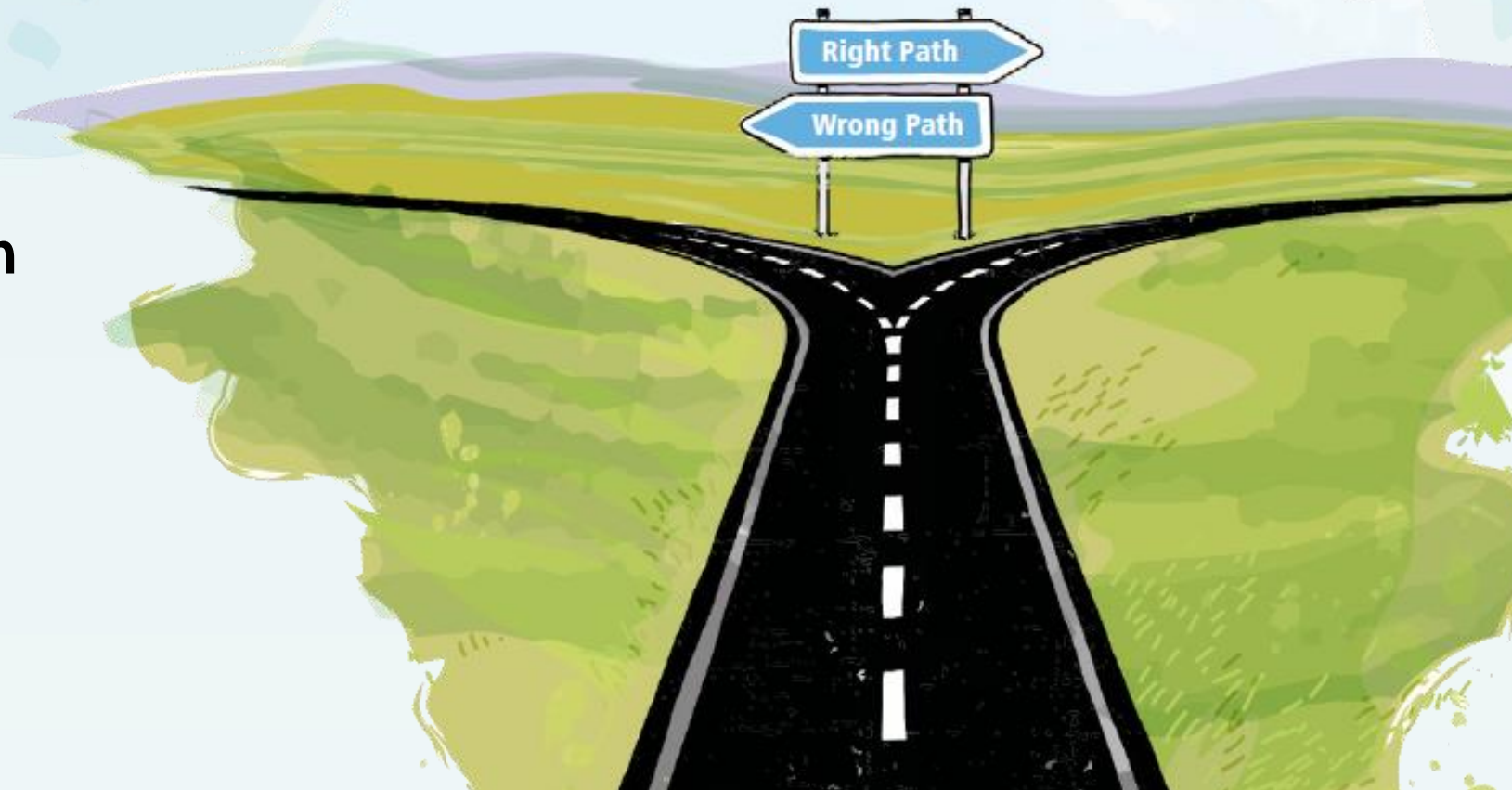
Place aims:

- Stronger focus on prevention and proactive care.
- Greater integration of NHS and council services.
- Deliver high-quality care for priority areas.
- Better use of collective resources and data-driven decision-making.
- Empower local decision-making with more resources and delegated authority through a place integration deal.



So what do we plan to focus on?

- **Focus on quality**
- **Clinical configuration blueprint**
- **Stabilising services**
- **Standardisation**
- **Workforce optimisation**



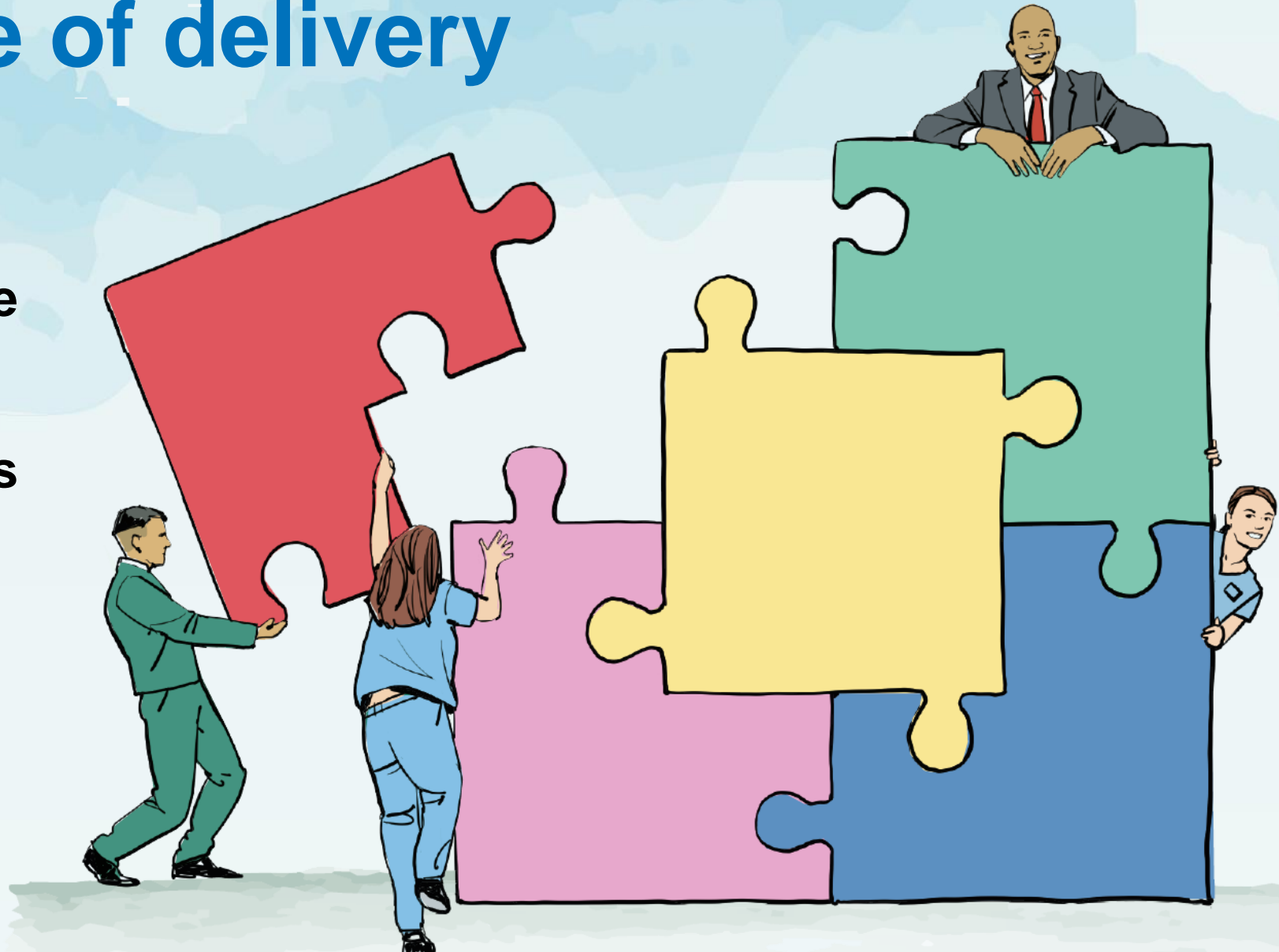
Transforming care in the community

- Creating healthy communities
- Integrated neighbourhood teams
- Enhanced care in the community



Moving further faster: the challenge of delivery

- **Ambitious plan**
- **Leadership and culture**
- **System integration**
- **Partnership challenges**
- **Focus on outcomes**



How will we get there?

- **Optimism amidst challenges**
- **Key components for success**
- **Evolving partnerships**
- **Patience and persistence**
- **Workforce and community**



Thank you



Financial review 2023/2024

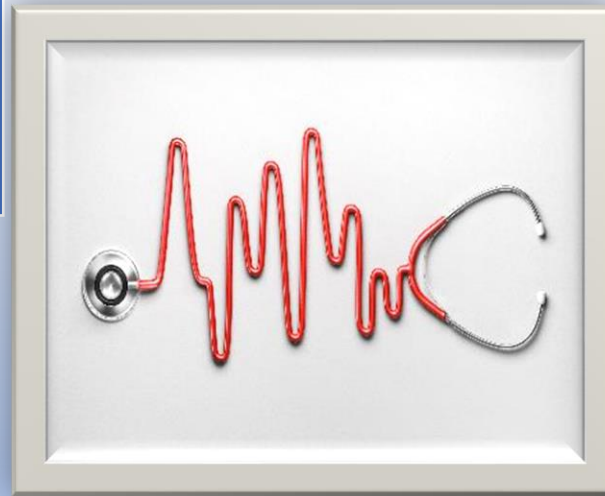
Sam Proffitt
Chief finance officer



2023/24 Financial Year

First full reporting year of the ICB (12 months vs 9 months in 2022/23)

New contracting arrangements with NHS providers with fixed and variable elements



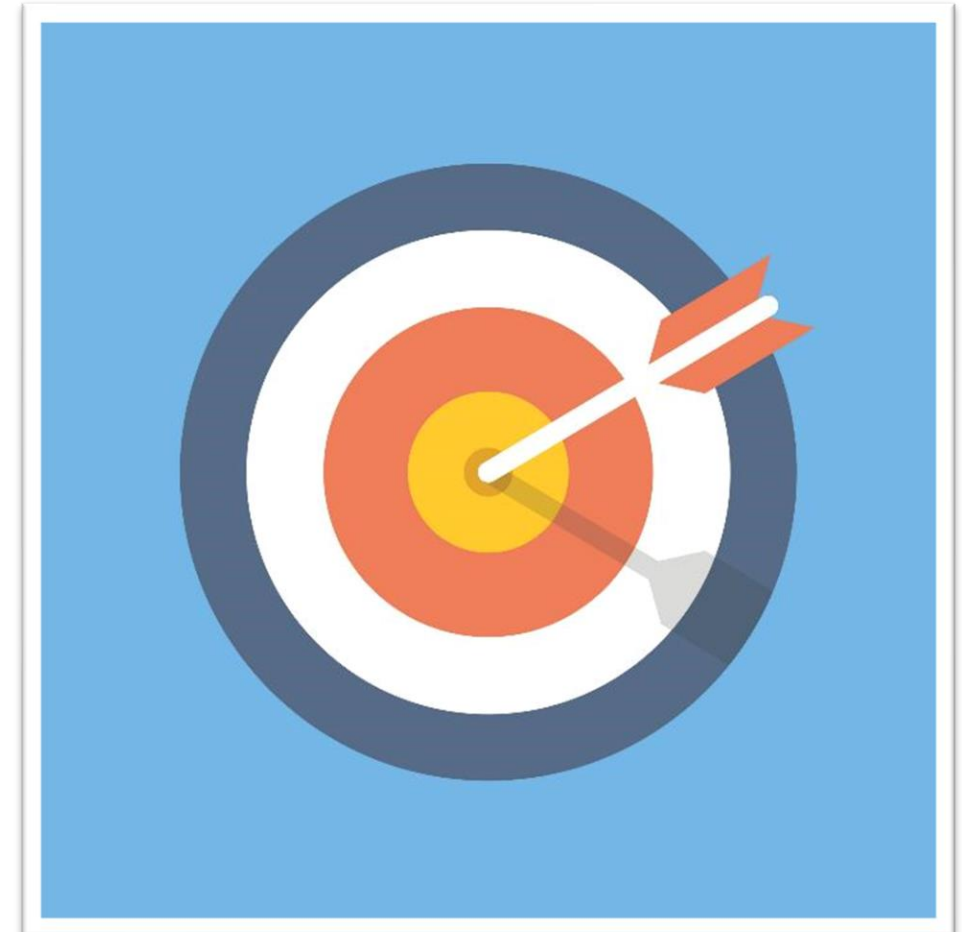
Break-even financial plan set, requiring £97m QIPP savings to be achieved in year

New delegations for pharmaceutical, general ophthalmic and dentistry services

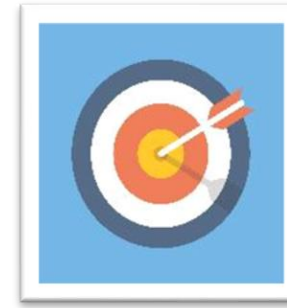
2023/24 Financial Targets

The ICB has a statutory duty to ensure:

- Expenditure does not exceed income
- Revenue resource use does not exceed the amount specified by NHS England
- Revenue administration (running costs) resource use does not exceed the amount specified by NHS England
- Capital resource use does not exceed the amount specified by NHS England



2023/24 Financial Performance



Core Statutory Duties	Target £000s	Outturn £000s	Over/(Under) Target £000s	Achieved
Expenditure not to exceed income	£4,565,008	£4,653,954	£88,946	✘
Revenue resource use does not exceed allocation	£4,510,480	£4,599,426	£88,946	✘
Administration resource use does not exceed allocation	£36,090	£26,816	(£9,274)	✔
Capital resource use does not exceed allocation	0	0	0	✔

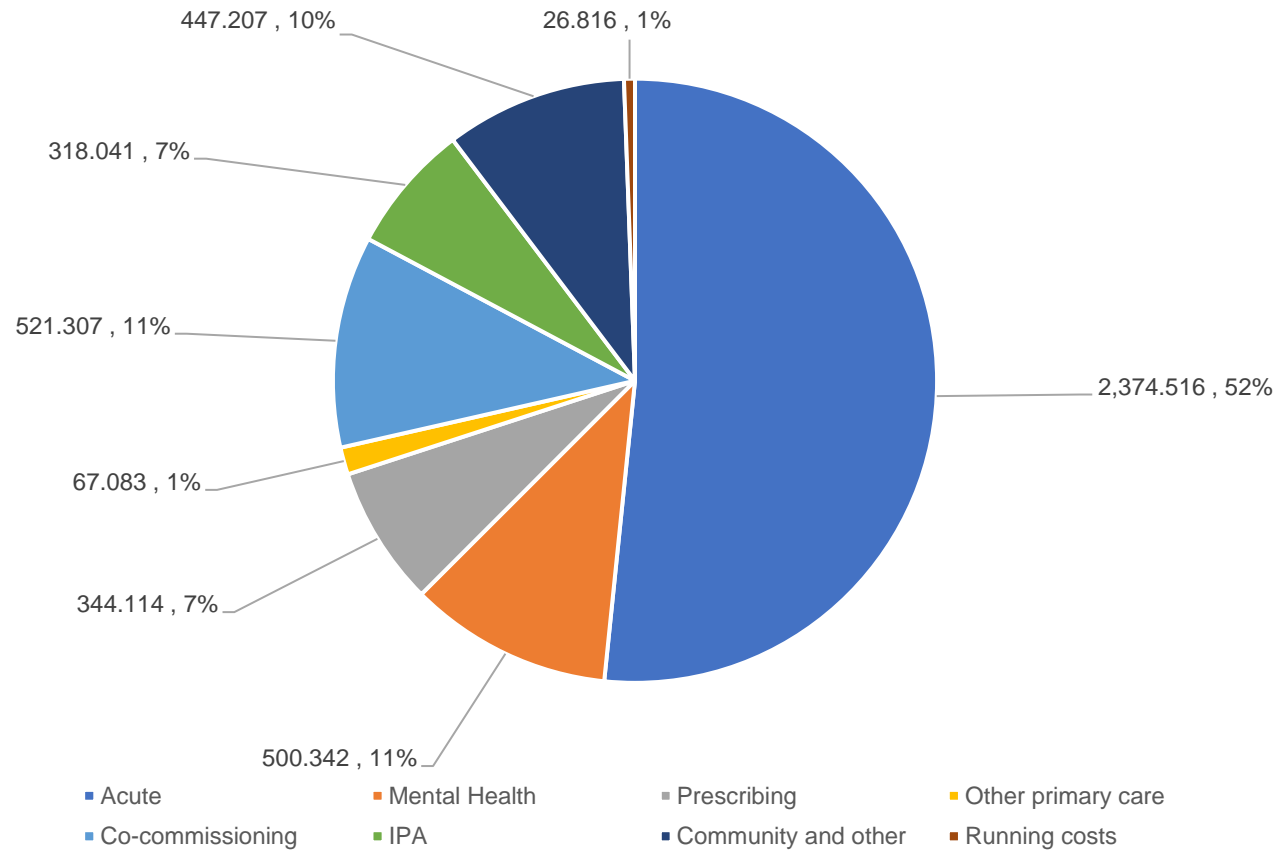
The overall £89m deficit position was notified to and discussed with NHS England.

2023/24 Key Financial Pressures

- High inflation rates, over and above national average, impacting on the costs of goods and services
- Challenging QIPP programme: £64m of efficiency savings achieved; shortfall of £33m against plan
- Additional risk due to new variable elements of NHS provider contracts



2023/24 Expenditure Analysis



How the ICB's money was spent in 2023/24 (£m)

2023/24 Investment decisions



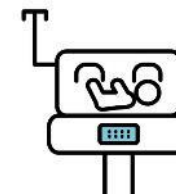
- Mental Health inpatient provision in Lancashire and South Cumbria Whalley and Skylark (23/24 cost £8.2m + 24/25 full year £11.5m)
- Ongoing investment in programme expenditure:



Virtual Wards £5.3m

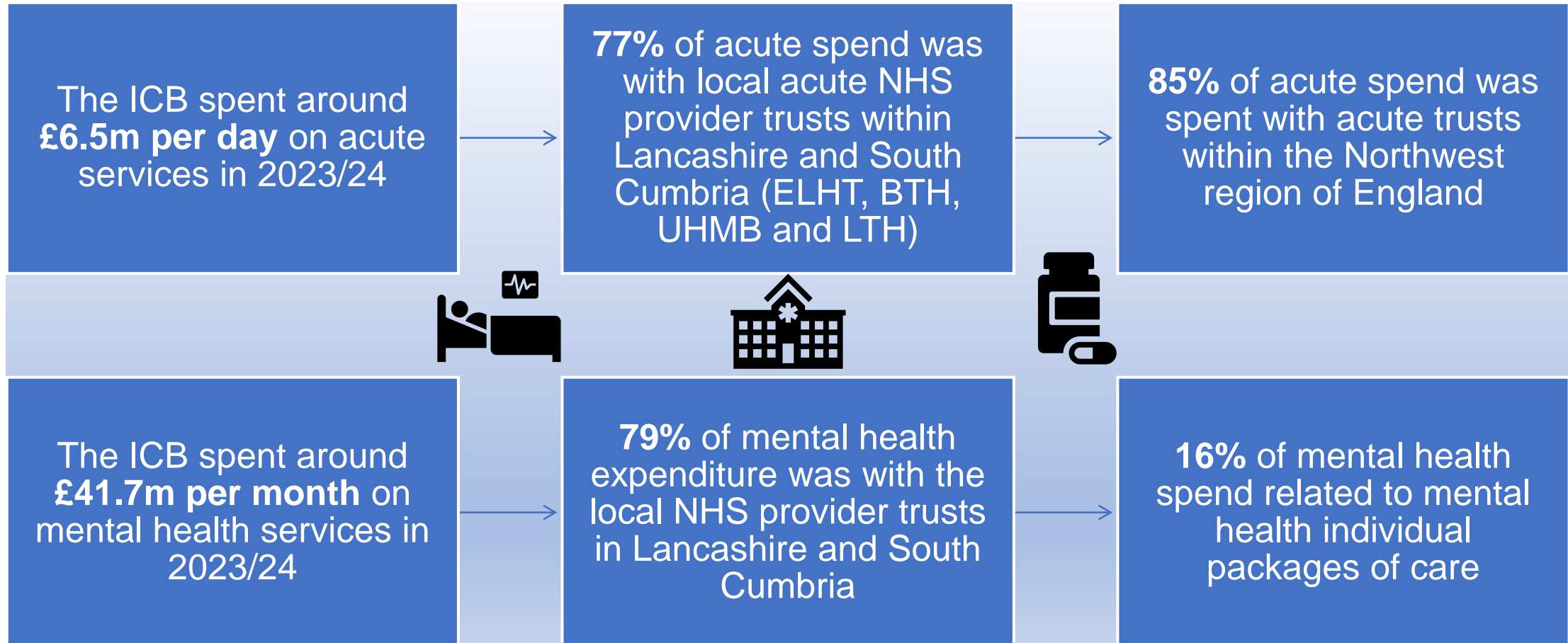


Stroke £2.4m

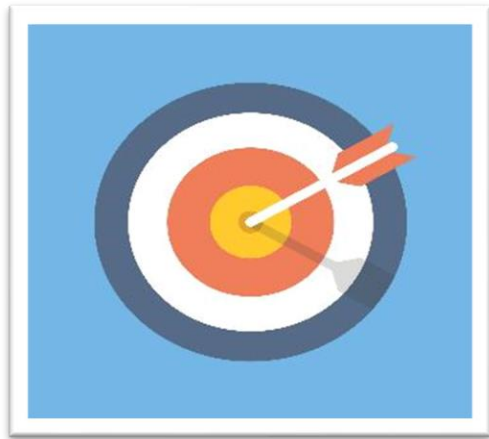


Ockenden (maternity) £1.8m

2023/24 Acute and Mental Health Spend

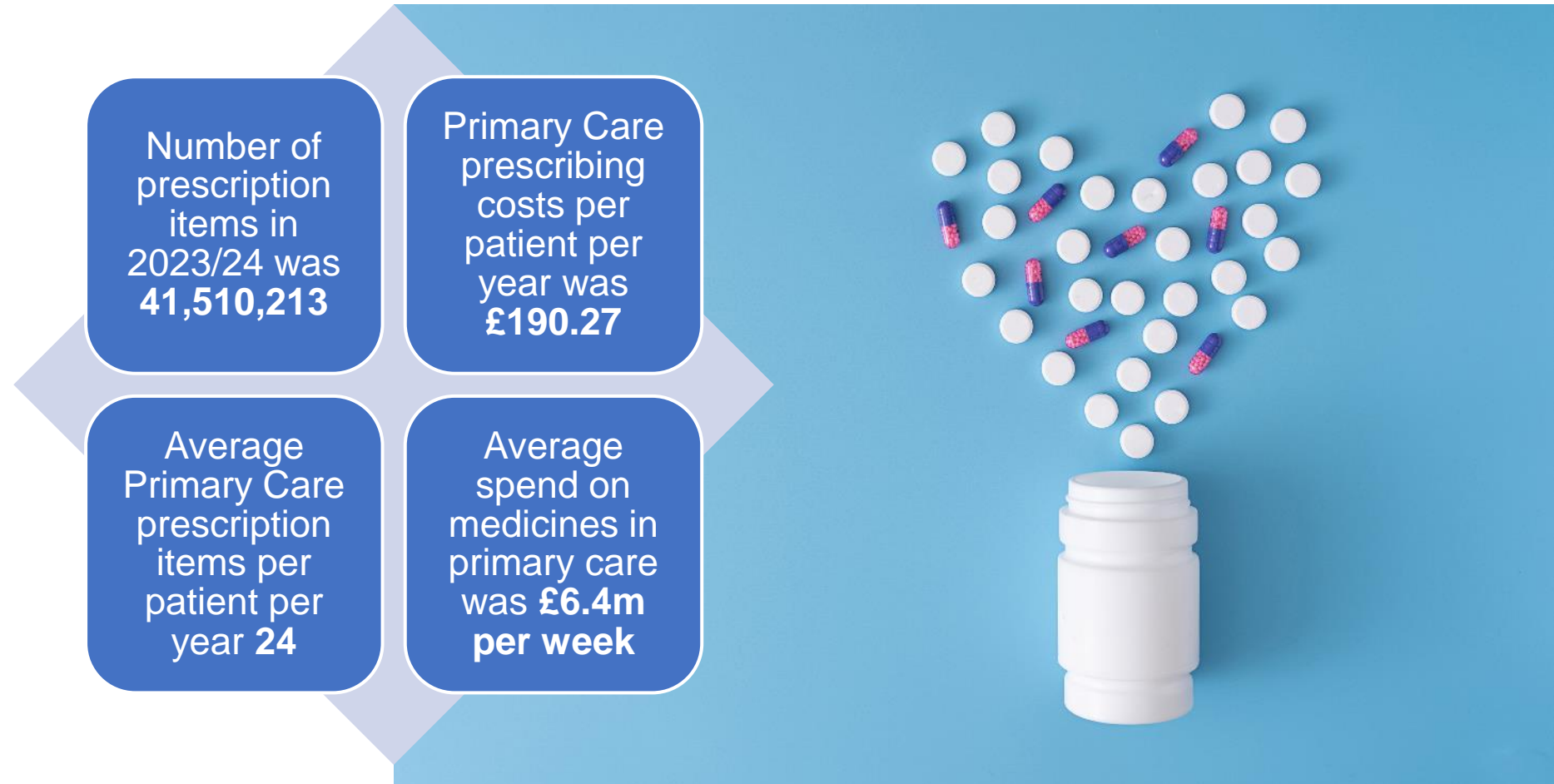


2023/24 Mental Health Investment Standard



- The Mental Health Investment Standard (MHIS) is a target set by NHS England to make sure all ICBs increase their spending on mental health each year.
- When ICBs plan their spending for the following year, they must spend proportionally more on mental health services than their overall increase in budget allocation.
- The ICB achieved the MHIS target for 2023/24 ✓
- The independent review of the 2023/24 figures will take place in Autumn/Winter 2024/25.
- The independent review of the 2022/23 MHIS took place in 2023/24 and identified that the ICB had properly prepared the compliance statement in all material respects ✓

2023/24 Prescribing Facts and Figures



2023/24 Other Areas of Spend



There were **219** primary dental contracts delivering a range of services; including mandatory dental, orthodontics and sedation, **12** minor oral surgery contracts and **2** community contracts. For secondary dental there were **13** contracts across the Northwest and Yorkshire delivering specialist dentistry to ICB patients.

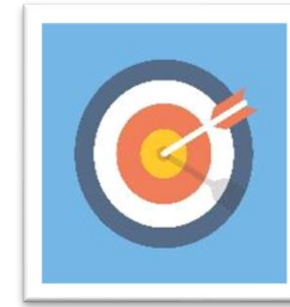


The ICB spent **£43.4m per month** on GP co-commissioning services.



The ICB worked with **809** residential care settings and **533** homecare agencies to deliver **11,566** packages of care in out of hospital locations.

Plus many more arrangements with our partners including local Hospices and other charities and third sector organisations.



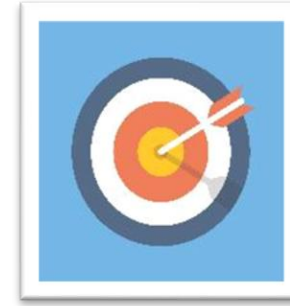
2023/24 Other Financial Targets

Compliance with the Better Payment Practice Code		Target	Performance	Achieved
NHS	Value	95%	99.57%	✓
	Volume	95%	97.16%	✓
Non-NHS	Value	95%	97.03%	✓
	Volume	95%	99.56%	✓

97% of invoices paid in 2023/24 were to suppliers outside of the NHS



2023/24 Final Cash Position



Compliance with Cash Targets	Target £000s	Outturn £000s	Percentage result	Achieved
Maintain spending within the Annual Cash Drawdown Requirement	£4,610,642	£4,609,617	99.98%	✓
Bank Balance at 31 March 2024 <i>(must be less than 1.25% of monthly drawdown)</i>	£5,159.075	£1,604.666	0.39%	✓

On average, we paid **12,448** invoices per month during 2023/24



What did the External Auditors say?



Area of audit responsibility	Conclusions	
Accounts	Unqualified opinion: the accounts are a true and fair view of the financial performance and position of the ICB.	✓
Annual Report	Content consistent with their knowledge of the ICB. Governance Statement prepared in line with DHSC requirements.	✓
Value for Money	One significant weakness relating to approval of the 2023/24 financial plan.	✓
Regularity	Expenditure was in line with the purposes for which it was provided.	✓
Other	Secretary of State referral due to RRL breach	

What did the Internal Auditors say?



22 Internal
Audit reviews
took place
during
2023/24.

The Head of Internal Audit Opinion for
2023/24 concluded overall:

MODERATE ASSURANCE



This is an improved position from
2022/23
where assurance was limited.



Outlook for 2024/25 and beyond



There remains a significant financial challenge across the system



Delivery of transformation and recovery programmes is crucial to ensure financial sustainability



Continued focus on improving and embedding control systems and processes



The new finance ledger go live planned for 1 April 2025

Open to questions

Closing remarks