

## Integrated Care Board

<b>Date of meeting</b>	Friday, 1 July 2022
<b>Title of paper</b>	2022-23 ICB Budget Summary
<b>Presented by</b>	Sam Proffitt – Chief Finance Officer
<b>Author</b>	Katherine Disley – Director of Operational Finance
<b>Agenda item</b>	11
<b>Confidential</b>	No

<b>Purpose of the paper</b>				
The attached paper provides a high-level summary of the 2022-23 ICB Operational Plan.				
<b>Executive summary</b>				
<p>The Lancashire and South Cumbria Integrated Care Board Operational Plan was submitted on the 20 June 2022. This plan delivers a balanced full year position with expenditure across all spend categories remaining within the total system allocations.</p> <p>There is risk for both Providers and the ICB in delivering a balanced financial position and this will be outlined in detail as part of the full budget paper requiring approval at the 27 July 2022 Board meeting.</p>				
<b>Recommendations</b>				
The Integrated Care Board is asked to <b>note</b> the contents of this budget summary pending approval of the full budget on 27 July 2022.				
<b>Governance and reporting</b> (list other forums that have discussed this paper)				
<b>Meeting</b>	<b>Date</b>			<b>Outcomes</b>
<b>Conflicts of interest identified</b>				
None				
<b>Implications</b>				
<i>If yes, please provide a brief risk description and reference number</i>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
Quality impact assessment completed			X	
Equality impact assessment completed			X	
Privacy impact assessment completed			X	
Financial impact assessment completed			X	
Associated risks			X	

Are associated risks detailed on the ICS Risk Register?			X	
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<b>Report authorised by:</b>	Sam Proffitt, Chief Finance Officer
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# 2022-23 ICB Budget Summary

## For the period 1 April 2022 to 31 March 2023

### Revenue Budget

#### 1.0 Introduction

- 1.1 In line with the Operating Planning Guidance, a system-based approach has been undertaken in order to finalise the plan for the 2022-23 financial year. A single Lancashire & South Cumbria system plan was submitted on the 20 June 2022 which detailed all commissioner and provider plans as agreed by individual organisations.
- 1.2 The Health and Care Bill received Royal Assent on the 28th April 2022, confirming the go live date of 1 July 2022 for ICS arrangements to take effect and Integrated Care Boards (ICBs) to be legally and operationally established. Current statutory arrangements remained in place until 1 July 2022 which required all Clinical Commissioning Groups (CCGs) to approve a three-month plan covering the period 1 April 2022 to 30 June 2022 at which point CCGs will be disestablished.
- 1.3 This paper sets out the high-level allocation and budget summary across the key expenditure categories. A full budget paper will be prepared for ICB approval at its committee on the 27<sup>th</sup> July 2022.

#### 2.0 System financial envelope for 2022-23

- 2.1 During 2020-21 and 2021-22, systems were also established as the key unit for financial allocations. In 2022-23, this approach will continue to support greater collaboration and collective responsibility for financial performance.
- 2.2 From 2022/23, the allocations methodology will be reset to move systems back towards a fair share distribution of resource at the levels affordable within the SR21 settlement.
- 2.3 For 2022-23, the summary system financial envelope is summarised in Table 1 below.

**Table 1: System Financial Envelope Summary**

Allocations	2022-23 £000s
<b>CCG Recurrent Allocation</b>	
ICB Programme Allocation	3,181,035
Ockenden funding	2,453
Primary Medical Care Services	294,831
Running costs	32,225
ICB Programme Allocation - Additional Funding	35,094
<b>Total CCG recurrent Allocation</b>	<b>3,545,638</b>
<b>CCG Non-Recurrent Allocation</b>	
Health Inequalities Funding	7,916
Elective Services Recovery Funding	60,552
COVID funding	74,779
Service Development Fund (SDF)	76,805
ICB Programme Allocation - Additional Funding	13,565
<b>Total CCG Non-Recurrent Allocation</b>	<b>233,617</b>
<b>Total System Allocation</b>	<b>3,779,255</b>

### 3.0 Summary Budget Position

- 3.1 The system financial strategy remains to provide services in the most effective way within the constraints of its healthcare allocation, running cost allowance and cash limit.
- 3.2 This financial plan has been prepared in accordance with the guidance issued in April 2022 which outlined the detail of the financial arrangements for the NHS for the full financial year. The following budget summary sets out the total expenditure by care setting for the system against the agreed allocations.

**Table 2:** Budget Summary for 2022-23

	2022-23 £000s
<b>Total System Allocation</b>	<b>3,779,255</b>
<b>Area of Spend</b>	
Acute Services	(2,077,000)
Mental Health Service	(442,147)
Community Health Service	(294,410)
Continuing Care Service	(194,594)
Primary Care Service	(317,476)
Other Programme Service	(86,499)
Primary Medical Services	(320,998)
Running Costs	(32,225)
Reserves / Contingencies	(13,906)
<b>Total ICB Expenditure</b>	<b>(3,779,255)</b>
<b>Surplus / (Deficit)</b>	<b>0</b>

- 3.3 Of the £32,225,000 allocated to running costs £27,263,000 is committed to pay costs related to ICB staff and contracts with the CSU with the remaining £4,962,000 available for discretionary non pay spend.

**Sam Proffitt**  
**ICB Chief Finance Officer**  
**1 July 2022**