

Joint capital resource use plan – 2023/24

Overview

The National Health Service Act 2006, as amended by the [Health and Care Act 2022](#) (the amended 2006 Act) sets out that an ICB and its partner NHS trusts and foundation trusts:

- must before the start of each financial year, prepare a plan setting out their planned capital resource use
- must publish that plan and give a copy to their integrated care partnership, Health & Well-being Boards and NHS England
- may revise the published plan - but if they consider the changes significant, they must re-publish the whole plan; if the changes are not significant, they must publish a document setting out the changes.

In line with the amended 2006 Act, ICBs are required to publish these plans before or soon after the start of the financial year and report against them within their annual report.

The relevant section of the Health and Care Act 2022 can be found via the following [Health and Care Act 2022 \(legislation.gov.uk\)](#) and reference should be made to sections **14Z56 and 14Z57**.

Guidance & requirements

Overview

To support ICBs in meeting these requirements of the amended 2006 Act, an ICB joint capital resource use plan this template has been devised and issued to systems via the PFMS organisation ICB portal inboxes.

Joint Plan requirements

The joint planning template covers the following key elements:

- the overall funding envelopes the system is assumed to be working to, with an explanation of assumptions (and related risks) associated with the assumed source and quantum of funding for the ICB and its partner trusts
- a description of how the system prioritises available resource for investments that contribute to the wider local strategic priorities of the ICS, and maximises efficiencies within an affordable envelope
- a description of notable risks and/or contingencies associated with the capital plan, alongside any proposed mitigations

- detail of how ICB plans that support cross-system working.

ICBs and the partner Trusts should complete this template and provide the information as requested in each of the sections, including a high level summary of the total CDEL impact of system plans for the forthcoming financial year as set out in Annex A.

The figures included in Annex 1, should be based upon the total ICB spend, and the sum of total Provider CDEL from all providers in the system. The figures reported must be consistent with the final system and Provider financial plan submissions.

Annex A should also include a narrative on the main CDEL categories of expenditure. This narrative should include;

- An outline of key schemes planned for the year, including funding assumptions
- An outline of the types of schemes, e.g. new buildings and developments, backlog maintenance or other types of expenditure;
- any other relevant information not included in other sections which provides additional supporting information as to how capital is prioritised and spent within the system to support its strategic objectives and ultimately deliver benefits to patients.

Overall any information reflected in the published plan produced by the start of the financial year must be consistent with

- information provided in the template submission.
- information contained within the final System and Provider financial plan submissions.

Submission

The completed 23/24 template should be submitted via the PFMS portal alongside the finance system and provider planning templates by the final plan submission date of **30th March 2023**.

ICBs should follow instructions in the portal submission guide on the steps to be followed to submit documents on the PFMS portal.

Timescales

ICBs and their partner organisations, should prepare their joint capital plans in line with the requirements as set out in the templates and then submit the completed templates and plans to NHS England in line with the following timescales.

	Deadline
Submission of completed Joint plan templates	By 30 th March 2023
Submission of published Joint plans to NHS England	By 21 st April 2023

For 2023/24 the requirement is to share this completed template with NHS England **by 30th March 2023**, which is in line with the final financial plan submission deadline.

The 2023/24 template should be submitted via the PFMS portal alongside the finance system and provider planning templates, by the final plan submission date.

Note this template is a guide as to the type of information the plans should cover and sets out the minimum requirements. ICBs can provide more and in a format of their design when publishing their final plan. In addition this template does not reflect the final format and its not the intention this template reflects the final published plan document.

Therefore, to avoid any additional burden and duplication, where systems have produced final capital plans ready for publication by 30th March 2023, this plan can be submitted in lieu of this template. **However as a minimum the final published plan must still meet the requirements as set out in this template.**

Publication

Once finalised, systems are required to ensure publication of the joint resource plan by the date set out above, and also share with

- (a) the integrated care partnership for the board's area,
- (b) each relevant Health and Wellbeing Board, and
- (c) NHS England.

A copy of the published plan, or link to the website must be shared with NHS England in line with the dates set out above by emailing england.capitalcashqueries@nhs.net.

Revised plans

The Act also sets out the requirements should an ICB significantly revise their capital plans as submitted by 30 March.

In this scenario, the revised plan must be published and a copy of the plan shared with the bodies outlined above as soon as reasonably possible, which is deemed to be within one month.

While revised plans may be published and shared, any financial planning information as submitted in the final system and provider financial planning submissions will not be updated. Instead, any revisions to Joint capital plans should be treated as a revised forecast. The exception to this where a formal capital plan resubmission process is required.

Annual report

In addition, the Act requires an annual report on how an ICB has discharged its functions in the previous financial year. This includes a requirement to review the extent to which the board has exercised its functions in accordance with the plans published under section 14Z56 (capital resource use plan).

Questions

Any further queries should be directed to england.capitalcashqueries@nhs.net.

REGION	South West
ICB / SYSTEM	Somerset

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.

The Somerset ICS provides healthcare to nearly 600,000 people. The provision of high-quality care in the most appropriate settings is a fundamental strategic aim for the system. This includes the provision of buildings, equipment, and digital technology to ensure this care can be delivered on an ongoing basis. The capital planning for 2023/24 has been undertaken with partners across the ICS estates and Digital groups, and continues the focus and established investment priorities.

Over the past 3 years there has been a focus on developing infrastructure to support service demands and safety, these have included investment in the Acute hospitals sites in Taunton and Yeovil to support elective recovery, urgent care and the backlog maintenance programme.

Investment in community services continues, specifically in mental health services for both children and adults, focusing on community assets and the continued investment in in patient mental health facilities in Yeovil.

The plans for 2023/24 continue with the priorities of:

- National programme of work in elective recovery
- Investment in Mental Health Services
- Supporting existing estates in backlog maintenance and equipment replacement
- Developing diagnostic services
- Community services including dental services
- Investment in digital services across primary and secondary care

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.

Capital Plan - Sources of Funding	£'000
Somerset Permitted Capital Envelope Funding	29,726
Additional Allocation to Somerset ICB system for achieving Breakeven Position in 2022/23	3,063
Further Capital Funding Sources NHS	43,268
Further Capital Funding Sources Donations	3,460
PFI funded refresh programmes	1,093
New leases taken out in Year	3,718
Total Capital Available	84,391

The table above sets out the resources available for the ICS during the financial year. This combines the System capital envelope of £29.7m, with an additional allocation of £3.06m, resulting from the successful achievement of a balanced financial outturn for 2022/23 financial year. This funding is supported by several specific allocations including funding for:

- Elective recovery funds supporting developments on the Yeovil District Hospital Site
- Continuation of the Surgical Centre at the Musgrove Park Hospital Site
- Front Line digitisation funds

The generous donations from the Public in Somerset of over £3m, will allow for the development of the Breast care unit in Yeovil, as well as ongoing support for equipment through several charity partners.

Overview of Ongoing Scheme Progression

Guidance:

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

The key funded investments that will progress this year are the Yeovil District Hospital elective recovery investment and the Surgical Centre on Musgrove Park Hospital Site. The YDH elective recovery investment includes an additional theatre and modular ward. Both schemes are currently in the detailed design stage with contractors engaged at pre - construction stage. Actual works are due to commence later this year. Following two and half years of enabling works, the main construction of the Surgical Centre at Musgrove Park Hospital has now commenced and will continue until early 2025. At the time of writing, there remains uncertainty regarding the New Hospital Programme scheme at Musgrove Park Hospital. This national programme should confirm the next stages of this scheme over the coming months.

The main locally funded investments include the completion of the Rowan ward project at Summerlands Hospital Yeovil, and the Yeovil Community Dental Centre. Construction of the Rowan ward project is well progressed and should complete later this year and enable the move of St Andrews ward for adult mental health inpatients over to the Summerlands site. The Yeovil Community Dental Centre is awaiting Somerset FT Board approval, and works should commence in early Summer and be complete by the end of the financial year.

The Ambulatory Breast Care unit at Yeovil, largely financed by donated funds, will also start construction this financial year.

The investment in GP IT services will continue as will the development of the Full business case for a unified health record in Somerset FT.

Risks and Contingencies

Guidance:

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

The key risks associated with the capital programme as follows:

- Delivery risk of the programme: there continues to be challenges in the UK construction market in respect to inflation and supply chain shortages. These may impact on the overall programme particularly in respect to larger investments.
- Clinical, regulatory and delivery risk associated with the physical estate, digital estate and associated equipment: The programme has been assessed based on current commitments and high-risk backlog and equipment replacement. There is however limited contingency and risk for any emergency items. Should a significant requirement arise in year this would require a reprioritisation or delay of existing schemes.

- Operational pressures: a number of programmes will require access to clinical areas to undertake essential maintenance and upgrades. Should the current high level of occupancy and clinical pressures continue this will impact on the ability to deliver the overall programme.

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.

There remains the possibility that the Musgrove Park New Hospital Programme scheme will progress to the next stage of planning this coming year and that an Outline Business Case will be submitted to the ICB for approval and support.

The system is developing business cases to implement an electronic health record system across the integrated Foundation Trust and a community diagnostic centre in Yeovil. These will be partly funded from external funding NHS funding sources.

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.

Somerset FT works with Somerset ICB to develop the system capital plan, and the ICS Strategic Estates Group plays an important role in the co-ordination of the capital plan and future capital planning. The relative simplicity of the system allows for an ongoing dialog

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.

The capital investment plan for the year has been developed in response to the clinical strategy for the ICS and within available resources. As the Foundation Trust is co-terminus with the ICB this makes the prioritisation process relatively straightforward, with specific allocations made for continued investment in GP information technology and an allocation for Primary Care facilities. The remaining capital envelope is allocated to ongoing and agreed plans within Somerset Foundation Trust.

The Foundation Trust component of the plan has been developed following proposed requests and discussion with operational and clinical managers and takes into consideration the capital funding constraints faced by the system. The plan also includes strategic investments that are funded from the Department of Health and Social Care.

The plan has been approved through the Trust Board. The table below identifies the key areas of programme expenditure.

	£'m
Musgrove Park Hospital Surgical Centre	21.967
Yeovil District Hospital 5th Theatre and Modular Ward	13.904
Yeovil Breast Care Unit	3.615
Mental Health and Community Schemes	1.942
Digital and IT	13.945
Backlog and equipment	10.545
Yeovil and Dorset Community dental Schemes	3.771
Musgrove Park Hospital Infrastructure Improvements	2.32
Balance of Capital Investment	7.297
Leases renewals	3.781
Total	83.087

ICB Capital
Schemes

£m

GPIT Capital	0.819
Minor Improvement Grants	0.450
Corporate IT	0.035
	<u>1.304</u>



Annex A – Somerset ICB 2023/24 CAPITAL PLAN

	CDEL	ICB	Somerset Foundation Trust	Total Full Year Plan £'000	Narrative on the main categories of expenditure
Provider	Operational Capital		31,485	31,485	
ICB	Operational Capital	1,304		1,304	
	Total Op Cap	1,304	31,485	32,789	
Provider	Impact of IFRS 16		3,781	3,781	
ICB	Impact of IFRS 16	0		0	
Provider	Upgrades & NHP Programmes		23,027	23,027	
Provider	National Programmes (diagnostics, Front line digitisation, Mental Health, TIF)		20,241	20,241	
Provider	Other (technical accounting)		4,553	4,553	
	Total system CDEL	1,304	83,087	84,391	