

REPORT TO:	NHS SOMERSET INTEGRATED CARE BOARD ICB Board Extraordinary Part A	ENCLOSURE: B
DATE OF MEETING:	27 June 2024	
REPORT TITLE:	NHS Somerset ICB Annual Report and Accounts for the period 1 April 2023 to 31 March 2024	
REPORT AUTHOR:	Tracey Tilsley, Associate Director of Corporate Affairs Julie Hutchings, Board Secretary and Corporate Governance Manager Jacqui Damant, Associate Director of Finance	
EXECUTIVE SPONSOR:	Alison Henly, Chief Finance Officer and Director of Performance and Contracting	
PRESENTED BY:	Alison Henly, Chief Finance Officer and Director of Performance and Contracting	

PURPOSE	DESCRIPTION	SELECT
Approve	To formally receive a report and approve its recommendations, (authorising body/committee for the final decision)	<input checked="" type="checkbox"/>
Endorse	To support the recommendation (not the authorising body/committee for the final decision)	<input type="checkbox"/>
Discuss	To discuss, in depth, a report noting its implications	<input type="checkbox"/>
Note	To note, without the need for discussion	<input type="checkbox"/>
Assurance	To assure the Board/Committee that systems and processes are in place, or to advise of a gap along with mitigations	<input type="checkbox"/>

LINKS TO STRATEGIC OBJECTIVES

(Please select any which are impacted on / relevant to this paper)

- ☒ Objective 1: Improve the health and wellbeing of the population
- ☒ Objective 2: Reduce inequalities
- ☒ Objective 3: Provide the best care and support to children and adults
- ☒ Objective 4: Strengthen care and support in local communities
- ☒ Objective 5: Respond well to complex needs
- ☒ Objective 6: Enable broader social and economic development
- ☒ Objective 7: Enhance productivity and value for money

PREVIOUS CONSIDERATION / ENGAGEMENT

Work carried out to engage with our communities is set out in the Annual Report.

REPORT TO COMMITTEE / BOARD

The report includes the Integrated Care Board's Annual Report and Accounts for the period 1 April 2023 to 31 March 2024, including the Governance Statement. The Annual Report is structured to meet the requirements of the Department of Health Group Accounting Manual 2023/24. Both NHS England and NHS Somerset ICB's auditors have reviewed the report in draft format, and their feedback has been incorporated to provide the final report as attached.

In addition, included with the Annual Report and Accounts, is the Head of Internal Audit Opinion, the External Audit – Audit Findings Report and the Letter of Representation.

The Somerset ICB Board is asked to approve the Annual Report and Accounts for the period 1 April 2023 to 31 March 2024.

The Board are individually asked to state:

- that as far as he/she is aware there is no relevant audit information of which the ICB's auditors are unaware;
- that he/she has taken all the steps that he/she ought to have taken as a member of the Board in order to make him/herself aware of any relevant audit information and to establish that the ICB's auditors are aware of that information.

IMPACT ASSESSMENTS – KEY ISSUES IDENTIFIED
(please enter 'N/A' where not applicable)

Reducing Inequalities/Equality & Diversity	Equality and diversity are at the heart of Somerset ICB's work, giving due regard to eliminate discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a relevant protected characteristic (as cited in under the Equality Act 2010) and those who do not share it. The Annual Report includes a section on Equality and Diversity.
Quality	The Annual Report includes sections which illustrate the work that NHS Somerset ICB have undertaken to improve the quality of services in Somerset.
Safeguarding	The Annual Report has several sections which outline the ICB's work on safeguarding for both adults and children and our work to meet the Modern Slavery Act.
Financial/Resource/ Value for Money	The Somerset system submitted balanced financial plans for 2023/24 and NHS Somerset ICB has delivered a balanced financial position for the period according to plan and within its allocated financial resource. The report has a detailed financial and performance analysis as well as appending the accounts for the period 1 April 2023 to 31 March 2024.
Sustainability	The Annual Report outlines the ICB's work on sustainable development.
Governance/Legal/ Privacy	Financial duties of NHS Somerset ICB not to exceed its resource limit and to comply with relevant accounting standards. The Governance Statement provides detailed information on the system of internal control. The ICB Annual Report and Accounts will be published on the NHS Somerset ICB website.
Confidentiality	N/A
Risk Description	The Annual Report has a section which sets out the ICB's approach to risk management and provides an overview of the principal risks and the Governance Statement sets out how the risk strategy operates as part of the internal control framework.



ANNUAL REPORT 2023/24

**1 April 2023 to
31 March 2024**

v2.2 - FINAL





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Appendix 1 – Annual Accounts for the period 1 April 2023 to 31 March 2024
Appendix 2 – Independent Audit Opinion





PERFORMANCE REPORT

JONATHAN HIGMAN
Accountable Officer
NHS Somerset Integrated Care Board

27 June 2024





Introduction

Welcome to the NHS Somerset Integrated Care Board (ICB) Annual Report for 1 April 2023 to 31 March 2024.

It's important to recognise the incredible efforts undertaken by our colleagues over the last year; thanks to their commitment to building and growing our common purpose, and strengthening our collaborative working to date, we can see our partnerships and relationships grow and strengthen. This is the first full year report for the ICB following the passing of the Health and Care Act 2022 to establish ICBs from 1 July 2022.

This report provides an overview of the year and highlights achievements against our key statutory duties. There is cause for optimism when we look at the steps-forward we have taken in partnership working. The signing a joint Memorandum of Understanding (MOU) with Somerset Council and our voluntary sector partners, cemented our shared vision and commitment to work more closely together to achieve better health and wellbeing for the people of Somerset.

Some of the highlights of our partnership working with our excellent voluntary, community, faith and social enterprise (VCFSE) sector include projects to make the system fairer; to ensure that people in Somerset are not disadvantaged because of where they live, access to transport, or because they may have a learning disability or are from an ethnic minority background. You can see the benefits of working with communities in our award-winning Inclusion and Homeless Health Service, the Somerset Rural Health Hubs and our falls prevention Sloppy Slippers campaign. In May 2023, we also signed the Armed Forces Covenant and have since supported the development of two armed forces hubs with NHS link workers to support our large armed forces community in Somerset.

We are responsible for commissioning health services for our 580,000 residents and we want all people to have access to high quality services when they need them. We are all aware that NHS and care services are under severe pressure, primarily caused by staff shortages, the impact of Covid-19 and rising demand associated with more people living longer but often in ill-health, reducing their independence and quality of life.

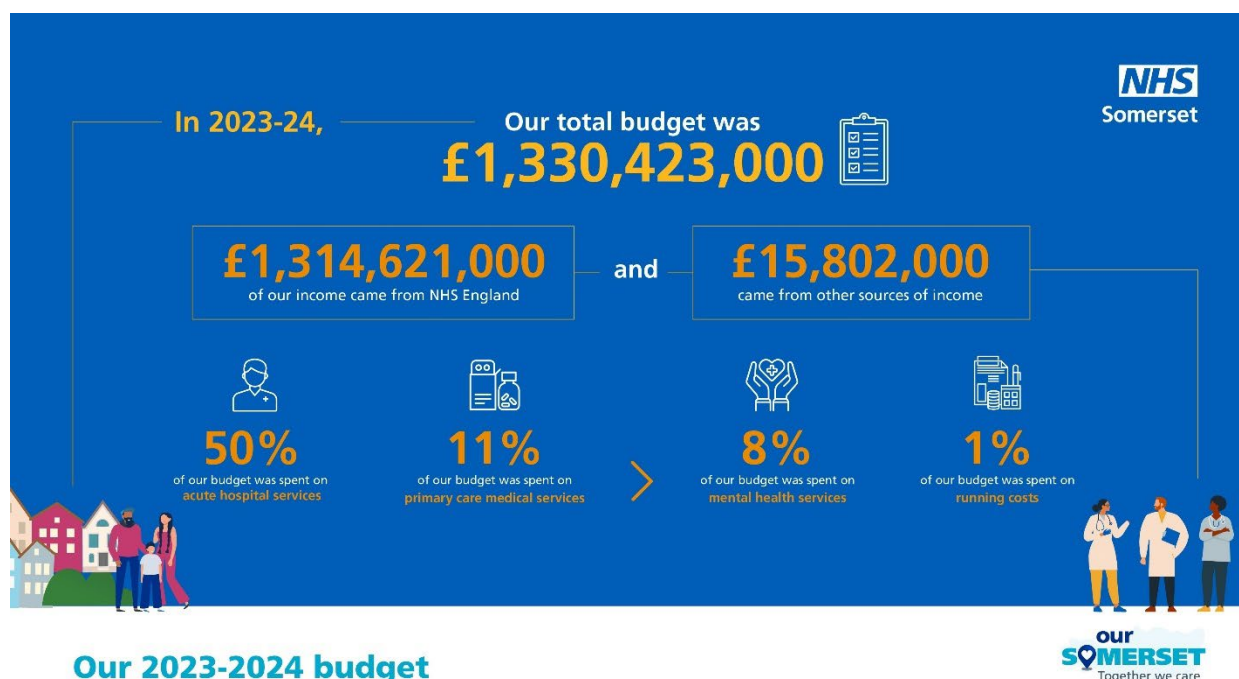
During 2023/24 we welcomed colleagues from NHS England pharmacy, optometry and dentistry teams, we now host the Regional Collaborative Commissioning Hub on behalf of the seven South West ICBs. We acknowledge the issues with access to dentistry in Somerset and, since taking on delegated responsibility for the commissioning of dental services on 1 April 2023, we have developed a local dental recovery plan, which incorporates the requirements of the national dental recovery plan published earlier in the year. We are now working to implement our plan, however, it will take time for improvements to be felt by the population.

In Somerset, the gap between the time that people 'live well' and their overall life expectancy is on average 17 years. However, it is even longer than this in some of the





more deprived parts of our county. This gap is bigger than the England average and we need this to change. Whilst NHS finances are under pressure and we look to drive efficiency across Somerset, we also need to move more of our money to support our prevention work. This will mean a shift in resources to make sure people are supported better and can live their best lives, for longer. This infographic shows how the majority of our money is currently spent on acute care.



We have recently refreshed our first [Joint Forward Plan](#) which is the delivery mechanism for our Health and Care Strategy, this highlights a lot of our achievements against the strategy for 2023/24 and any key changes.

Over the last year we have also developed our new organisational operating model, which underpins how we are going to work to deliver our Health and Care Strategy and our statutory functions. We engaged with our partners and ICB staff during its development. The operating model signals a shift to greater focus on working with people and communities across Somerset. Our operating model has been supported by a programme of organisational change which will enable us to also deliver the national ambition for all ICBs across the country to reduce their running costs by 30% by 2025/26.

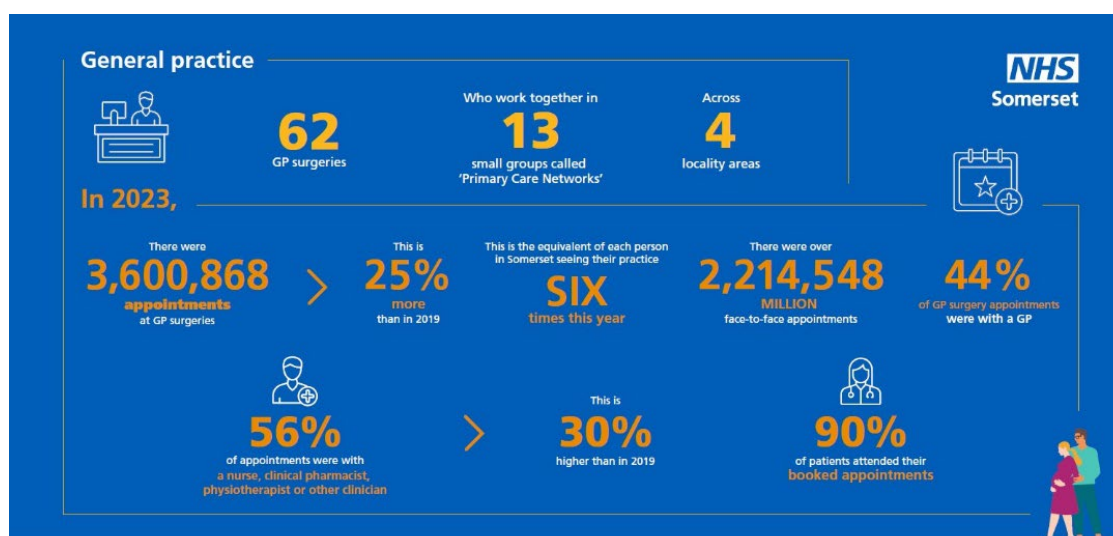
We have made good progress in recovering performance against the range of NHS performance metrics following the significant impact of the pandemic. Full recovery will take time but we have made tangible progress during the year. We acknowledge that we have further to go to fully recover performance against many of the standards but





there has been significant improvement across the board and against the majority of the standards, our performance is ahead of national comparators. We are particularly pleased about the improvements in mental health performance and our recovery of elective waiting times which has been achieved despite the ongoing context of industrial action. Urgent and Emergency Care performance has also seen significant improvement over 2022/23, particularly notable are the improvements in ambulance response and hospital handover times.

Somerset GPs have worked tirelessly in managing to provide their patients with ever-growing numbers of appointments, a 25% increase on 2019. They are also continuing to see many patients on the same day and with the majority once again being seen face-to-face. This infographic shows:



Primary Care in Somerset in numbers

our
SOMERSET
Together we care

Over the following pages, we detail the context we worked within, what we did, and how we did it. We also describe the impact of our work on Somerset's health and wellbeing and describe where there are still challenges ahead.

Jonathan Higman
Chief Executive
27 June 2024

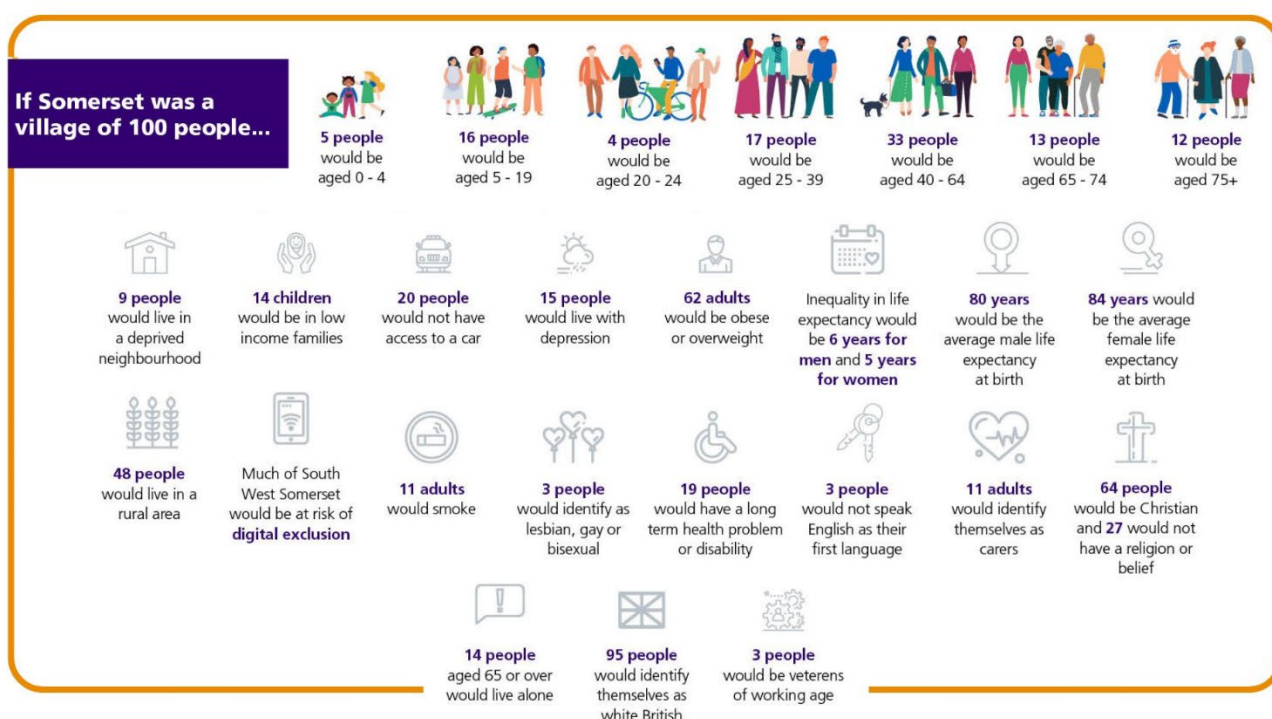




The following sections provide an **overview of the purpose** of NHS Somerset Integrated Care Board (ICB), **how we have performed** during 2023/24 in achieving our objectives, and the **key risks and challenges** we have faced.

The sections include how NHS Somerset ICB has delivered its key workstreams, statutory responsibilities and the overall performance during 2023/24.

The Profile of Somerset



The organisational landscape in Somerset is of low complexity when compared to other Integrated Care Systems (ICSs). We have one Integrated Care Board [NHS Somerset ICB](#), one unitary council [Somerset Council](#) (Somerset Council) and one statutory NHS Foundation Trust, [Somerset NHS Foundation Trust](#) (following the merger with Yeovil District Hospital NHS Foundation Trust on 1 April 2023). This merger brings together all Somerset's acute, community, mental health and learning disability services and General Practice provision into a single NHS Foundation Trust.

We have 62 GP practices which come together in 13 primary care networks (PCNs), located within 12 neighbourhoods and a single GP Provider Board. We have strong working relationships and a Memorandum of Understanding with the local voluntary, community, faith and social enterprise sector (VCFSE). Many of these VCFSE organisations support people and deliver services in our local communities.



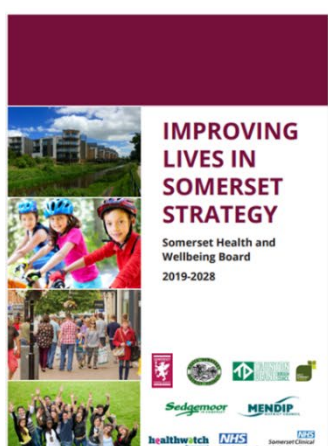


[South Western Ambulance Service NHS Foundation Trust](#) provides ambulance services to Somerset as well as eight other ICB areas in the South West.

Somerset Board

We have one Health and Wellbeing Board (HWB) which operates as a committee in common with the Somerset Integrated Care Partnership (ICP), known as the 'Somerset Board'.

The aim is to achieve greater integration across health, care, public health, and the VCFSE, together with other public sector partners and public voices to facilitate cooperation and collaboration to improve health and care across the population of Somerset. This is underpinned by the HWB's Improving Lives Strategy (which has four priorities) and the ICP's Health and Care Strategy (which seeks to deliver priority four of the Improving Lives Strategy).



4 Priorities

- A county infrastructure that drives productivity, supports economic prosperity and sustainable public services
- Safe Vibrant and well-balanced communities
- Fairer life chances and opportunity for all
- Improved health and wellbeing and people living healthy and independent lives for longer



The Somerset Health and Wellbeing Strategy

[Improving Lives](#) is the Somerset Health and Wellbeing Strategy. The strategy is owned by the Somerset Board, at which NHS Somerset ICB is a key consultative contributor. We take the Somerset Joint Strategic Needs Assessment (JSNA) into account when defining strategy and the delivery for health is through our [Joint Forward Plan](#).

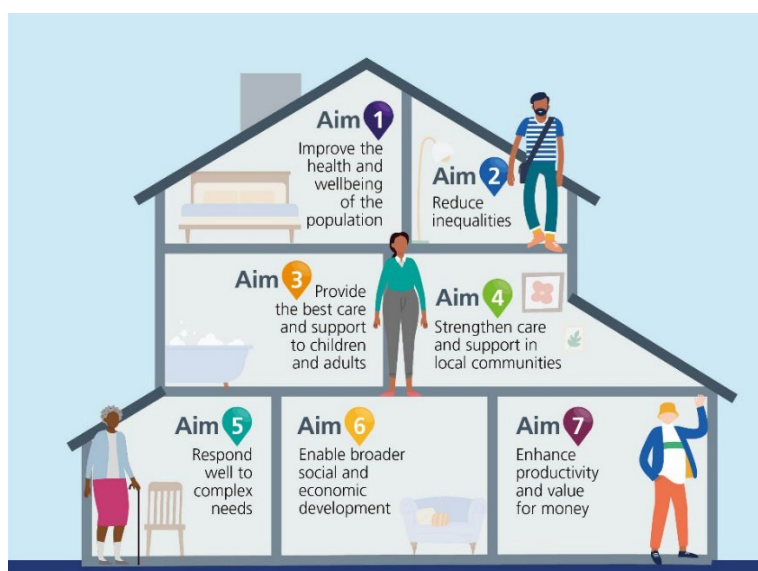
Our Integrated Health and Care Strategy

As an Integrated Care System (ICS) we have set out how we will achieve our vision through our [Integrated Care Strategy: our ambition for a healthier future in Somerset \(2023-28\)](#). Our vision is for all people who live and work in Somerset to have healthy and fulfilling lives. We want people to live well for longer than they do now.





Working together, Somerset has identified seven key strategic aims, focused on achieving the ambition of enabling people to live healthier lives.



There have been changes which have taken place since we published the strategy:

- NHS services in Somerset are experiencing increasingly challenging finances.
- Somerset Council have declared a financial emergency
- we have strengthened our commitment to the VCFSE through a shared vision and commitment to work more closely together
- Yeovil District Hospital NHS Foundation Trust and Somerset NHS Foundation Trust merged on 1 April 2024 and we are starting to see the benefits of this merger.

We took these into account for our [Somerset Joint Forward Plan refresh](#) 2023/24 and also reviewed everything we said we would do in last year's plan. This clearly sets out our performance against our commitment for the first year of the plan.

Our Operating Model

Over the last year we have also been developing our operating model, which underpins how we are going to work to deliver our Health and Care Strategy and our statutory functions. We have engaged with our partners and ICB staff on its development. Alongside this we have also had to consider the challenge set by NHS England for all ICBs across the country to reduce their running costs by 30% by 2025/26.

In addition to the statutory functions handed over from NHS Somerset CCG, the ICB requires the capability and capacity to take responsibility for commissioning several services delegated from NHS England. On 1 April 2023 we assumed delegated



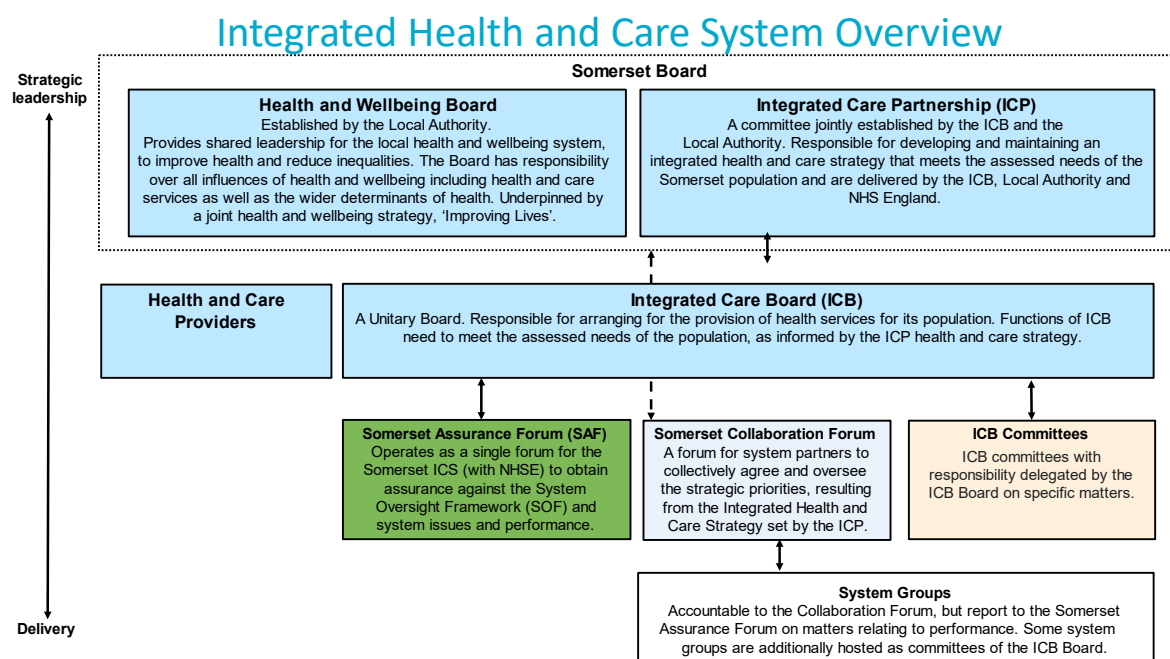


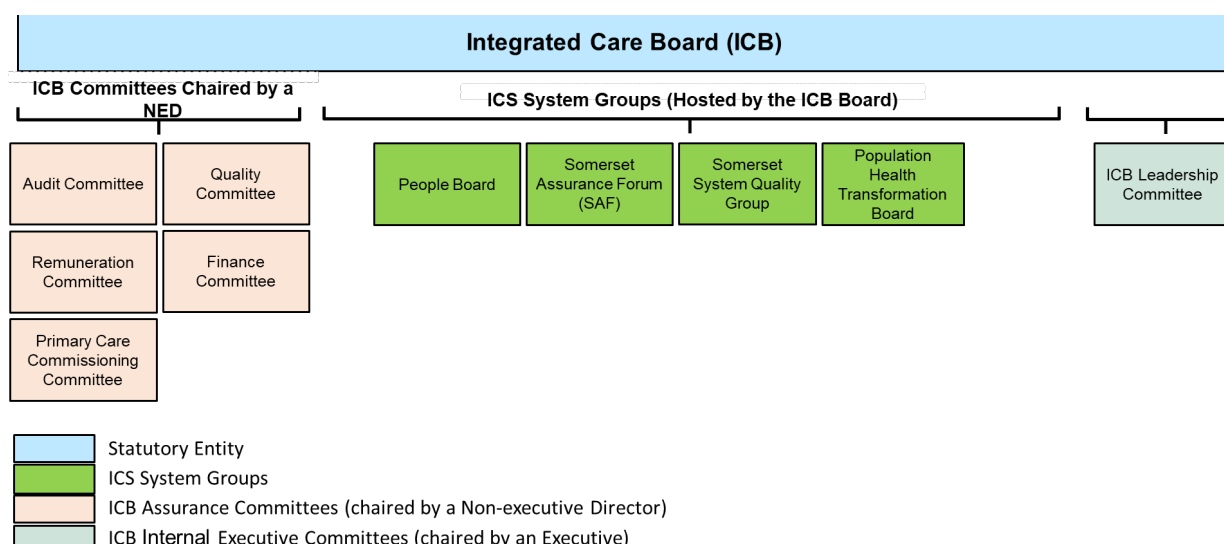
responsibility for commissioning of community pharmacy, ophthalmic and dental services. During 2023/24 NHS Somerset was also successful in its expression of interest to host the regional collaborative commissioning hub on behalf of the seven South West integrated care boards. On 1 July 2023 staff from the NHS England pharmacy, optometry and dentistry teams, GP transformation teams and complaints teams joined our organisation. Our new operating model and structures will ensure we will be able to fulfil the duties delegated to us and successfully host the hub.

NHS Somerset ICB aims to drive collaboration, promote innovation and support good health. We will listen to our residents and work with our communities to develop innovative ways to prevent people from becoming unwell, whilst also delivering high quality services. Our operating model allows us to be agile; to 'pivot' ourselves to work as a 'team of teams', breaking down traditional organisational silos.

How We Make Decisions

In making decisions about the provision of healthcare, we must consider the effects on the health and wellbeing of the people we serve (including by reducing inequalities with respect to health and wellbeing) the quality of services provided or arranged by both us and other relevant bodies and the sustainable and efficient use of resources. This is known as the 'triple aim'. Our governance structure has been set up to ensure that we make decisions and work in this way in collaboration with our partners.





We have recently undertaken a governance self-assessment and Board effectiveness review. At the time of writing this annual report we are reviewing the outcomes and will be taking forward key recommendations to improve our governance and decision making. More information on our constitution and governance can be found here: [Our Constitution and Governance - NHS Somerset ICB](#)

Our key risks

Most of the risks we manage relate to our operational service delivery, workforce and financial objectives. During the year we have developed a system-orientated board assurance framework which from 2024/25 will provide the Board with strengthened visibility of the risks we face to meeting our strategic objectives, with greater emphasis required on our objectives relating to improving the health and wellbeing of the population, inequalities and the broader social and economic development.

Risk Management

NHS Somerset ICB's policy and approach to risk management is set out in detail in the [Risk Management Arrangements and Effectiveness](#) section of the governance statement. The risk management process underpins the successful delivery of our strategy and achievement of our objectives.

We are committed to maintaining a sound system of internal control based on risk management and assurance. By doing this, the organisation aims to ensure it can maintain quality and safety for patients, staff and visitors through the services it commissions, and minimise financial loss to the organisation.





Overview of NHS Somerset Risks

During the period April 2023 to March 2024, we have undertaken a review of the risk processes resulting in the creation of a corporate risk register (risks rated at 15 and above) overseen by the Board of the ICB and its committees.

The risk monitoring activities, under the NHS Somerset ICB Risk Management Strategy and Policy, enabled timely risk reporting through the ICB's governance structure.

The main areas of risk have included the following, as summarised and consolidated, which describe key areas of risk rated at 15+ and the actions taken in mitigation:

Risks: Sustainability, and access to, health care services and performance standards

We have continued to manage several risks relating to the growth in demand for services across the Somerset system, such as urgent and emergency care, and performance waiting times such as referral to treatment, cancer targets and ambulance waiting and handover times. In addition, access to services and meeting waiting time standards. The actions taken to mitigate risks in these areas have included:

- regular monitoring through appropriate fora and routes of escalation
- regular review of the risks
- annual operational planning
- regular performance reporting and analysis
- regular liaison with stakeholders and regulators
- recruitment, training and retention initiatives
- convening of actions through the role of our Somerset co-ordination centre
- action plans and implementation of improvement recommendations
- service specific activities and actions (e.g. rapid response service, hospital ambulance liaison officer managing handovers and flow, 111 revalidation, 24/7 crisis line for mental health services, virtual wards etc.)
- monitor and review framework: Somerset OPEL framework.

Risks: Patient Safety and Quality

We have continued to ensure that patient safety and quality is central to the delivery of all services. We have managed a range of risks relating to patient safety, including special educational needs and disabilities (SEND), infection control and hospital patient flows. Some of the actions taken included:

- regular monitoring through appropriate fora and routes of escalation
- regular review of the risks
- deep dive reviews
- same day emergency care streaming and admission avoidance.
- review category 3 and 4 ambulance and emergency dispositions





- virtual wards
- prescribing incentive scheme to reduce prescribing of opioid pain killers.
- infection prevention and control policies for each provider.

Risks: Workforce Sustainability

We have continued to manage risks around workforce sustainability across the Somerset ICS, where risks were identified around planning not delivering the required workforce capacity against patient activity. The range of actions taken have included:

- refreshed our Somerset System People Board and delivery group governance.
- System Assurance Forum (for workforce programme oversight)
- B4 clinical apprenticeships - plan to commence in 2024
- development of a Somerset Workforce Strategy and Plan, overseen by the People Board (encompassing the Somerset People Plan)
- developed a Joint Forward Plan and operational planning
- engagement with Health Education England for workforce scenario planning (one, five and 10 years)
- 10 people function outcomes dashboard development
- engagement with the development of the Health and Care Academy model (Bridgwater)
- accreditation of Primary Care Networks as learning organisations
- GP primary care recruitment, training and retention initiatives.

Risks: Financial Management and Achievement of Efficiency Savings

Regular meetings are held across the ICS to undertake financial planning, and discuss and identify actions, including savings and investment plans, across the Somerset health system. Through a robust financial management, monitoring and reporting process within the ICB and the wider ICS, the following approach is taken:

- arrangements are in place to ensure sound financial control
- monthly finance reports are produced to inform the ICB Board and Finance Committee of the latest financial position
- quality improvement processes and restrictions are applied to new placements when indicated
- joint system financial reports are produced monthly for the ICS to identify any financial/performance issues and variance and to inform discussions to identify plans for mitigating actions
- ensuring robust application of evidence-based intervention policies
- thorough assessment of providers against the accreditation process
- whole-system focus on turnaround and transformation to reduce costs

Further detail about our risk management framework and arrangements is included in the [Governance Statement](#), which features later in our Annual Report.





Performance Analysis – Key Standards

NHS Oversight Framework

The NHS Oversight Framework outlines NHS England's approach to NHS oversight. A set of metrics has been published, applicable to ICBs, NHS trusts and foundation trusts, to support implementation. ICBs lead the oversight process assessing delivery against the following domains: quality of care, access, and outcomes; preventing ill health and reducing inequalities; finance and use of resources; people; leadership and capabilities.

NHS Somerset ICB makes quarterly submissions across the range of oversight performance metrics to NHS England and as at Quarter 3 (latest position) was categorised as being in Segment 2 which is defined as *'on a development journey and demonstrating many of the characteristics of an effective ICS with plans that have the support of system partners in place to address areas of challenge'*.

During 2023/24 a number of performance indicators have improved, with NHS Somerset ICB's performance close to the national average for many of the oversight indicators. An outline of our performance against a number of these are included below.

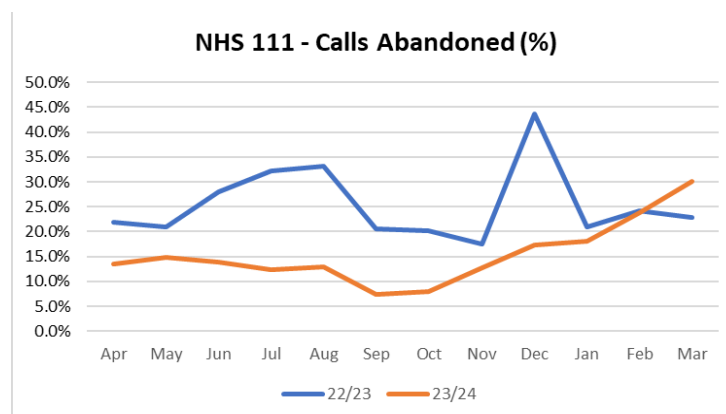
Urgent Care

Measure	Standard	22-23 Full Year	23/24 YTD			
		Somerset ICB	Somerset ICB	Change to 22/23	National Avg	Change to National Avg
NHS 111 Call Abandonment	≤3%	27.19%	15.28%	↓	10.00%	↑
Category 1 Response (Mean)	7 Minutes	11.1	10.6	↓	14.5	↓
Category 2 Response (Mean)	18 Minutes	70.6	42.4	↓	33.5	↑
Average Handover Time	30 Minutes	26.6	27.4	↑	33.0	↓
% Handovers >15 Minutes	35%	55.55%	66.79%	↑	65.90%	↑
% Handovers >30 Minutes	5%	24.87%	25.73%	↓	28.00%	↓
% Handovers >60 Minutes	0%	9.99%	7.58%	↓	10.00%	↓
A&E 4-hour (All Types)	76%	75.4%	75.8%	↑	72.1%	↓
A&E 4-hour (Type 1)	76%	0.0%	60.8%	↑	58.8%	↓
No Criteria to Reside	Plan	207	210	↑	14.67%	↑
		22.0%	22.9%	↑		
All G&A Bed Occupancy	92%	94.9%	93.3%	↓		-

NHS 111

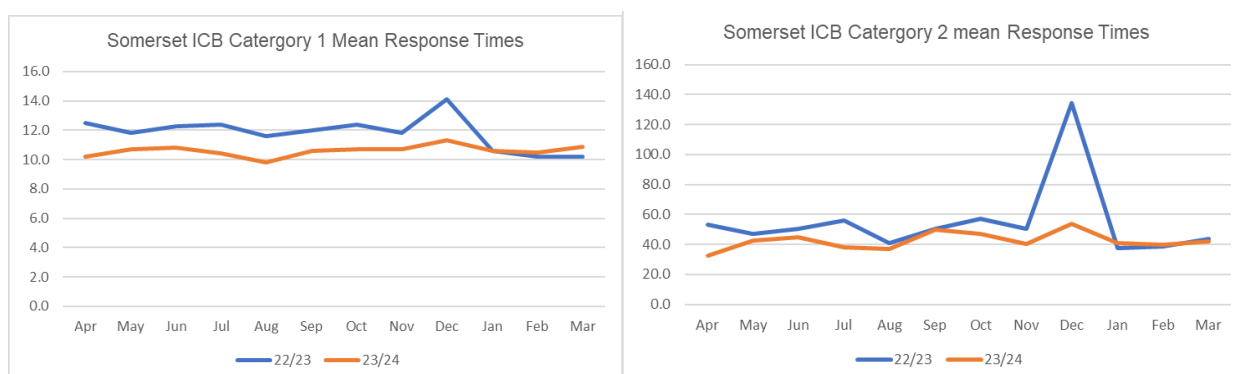
In 2023/24 over 247,000 people called NHS111 and 15.3% of these were abandoned. Whilst the call abandonment rate is improved on the previous year performance remains significantly above the 3% operational standard and national average.





Ambulance Response Times

During 2023/24 Category 1 mean ambulance response times for life threatening injuries or illness (including cardiac arrest) was 10 minutes 6 seconds which is an improvement on the previous year but behind the national standard of 7 minutes and the national average of 8.3 minutes. For Category 2 ambulance calls (which are those that are classed as an emergency or a potentially serious condition that may require rapid assessment, urgent on-scene intervention and/or urgent transport and performance) response times performance was 42.4 minutes against the 18-minute standard and behind the national average of 36.2 minutes.



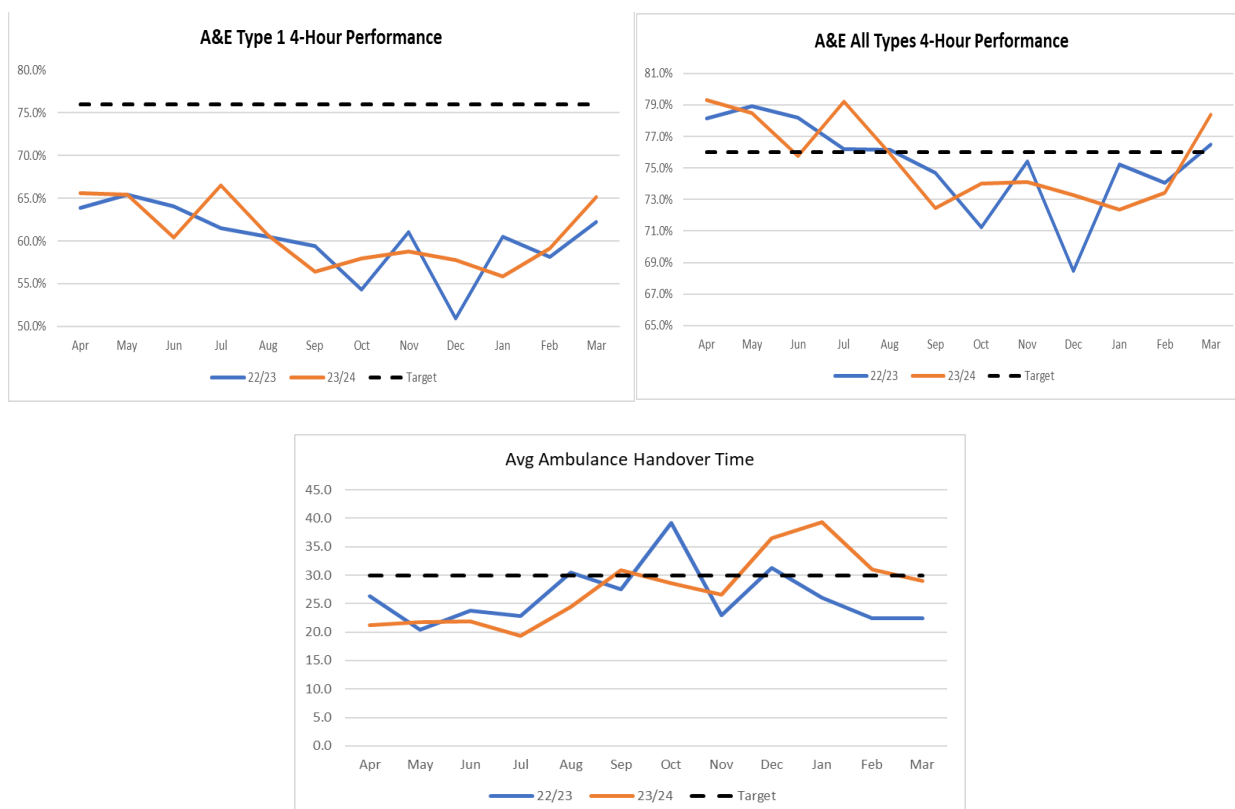
Accident and Emergency (A&E)

Demand in Somerset continued to grow in 2023/24. There has been a 9.3% increase in ambulance arrivals and a 3.4% increase in A&E attendances (most notable increase has been in the major patient cohort) when compared to the previous year. Somerset continues to have the lowest ambulance handover lost hours and the average handover time (since October 2023, as national statistics only published from this point) was 27.4 minutes compared to 36.9 minutes nationally. During 2023/24, 60.8% of A&E





attendances to type 1 A&E departments in Somerset were seen, treated and either discharged or admitted within 4-hours and across all A&E departments (which includes minor injury units) performance was 75.8%.

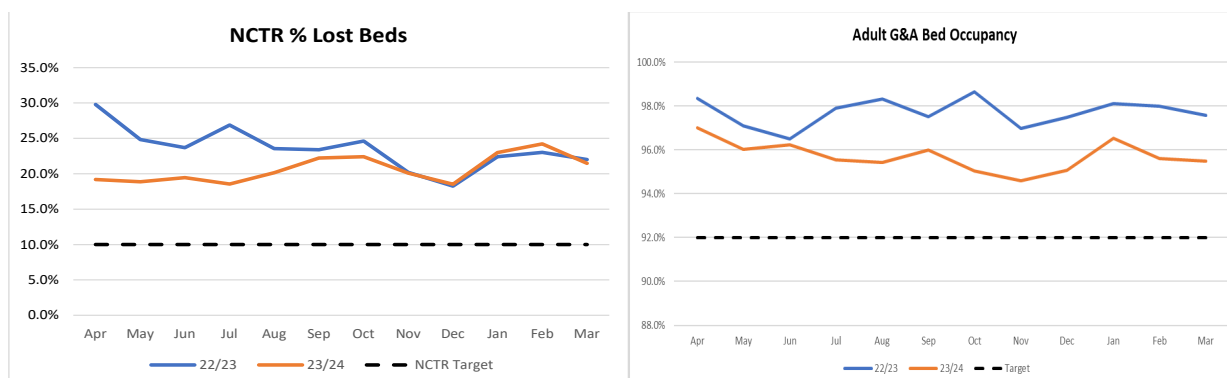


Beds, Discharge and Flow

Demands on hospital beds has remained high during 2023/24 with the average occupancy on adult wards exceeding 92%. This is underpinned by a 3.5% increase in the volume of patients admitted as an emergency and staying more than one day in hospital and the high volume of patients residing in hospital beds who are medically fit.

In March 2024 22% of our beds in our acute hospitals were occupied with patients with 'no criteria to reside', leading to extended length of stay and impacting on flow.





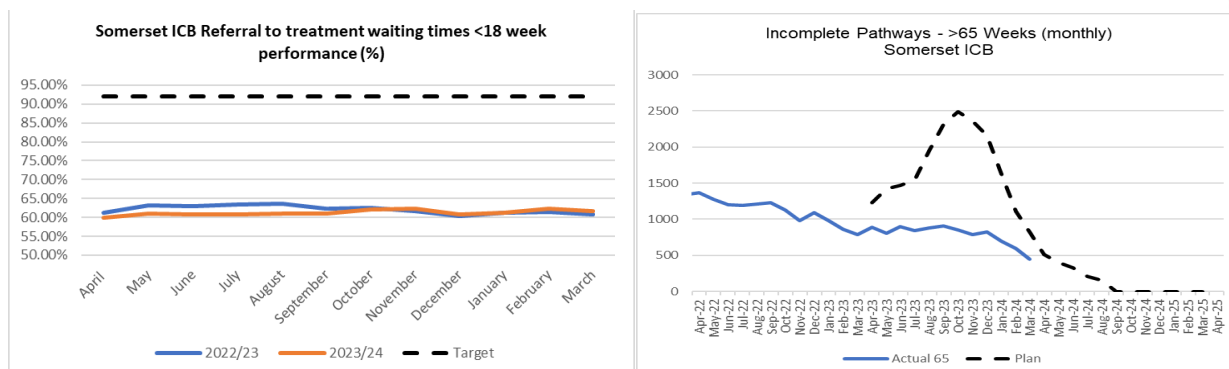
Elective (Planned) Care

Measure	Standard	22-23 Full Year	23/24 YTD			
		Somerset ICB	Somerset ICB	Change to 22/23	National Avg	Change to National Avg
<18 Week Wait Performance	92%	61.1%	61.6%	↑	57.3%	↑
65 Week Waits - All	0 by Sept 24	790	452	↓	48,968	↑
65 Week Waits - Children Services	-	112	61	↓		
Diagnostics <6 Week Wait Performance	75%	77.2%	77.55%	↑	79.20%	↓
Cancer 28 Day Faster Diagnosis Standard	75%	64.3%	73.5%	↑	77.30%	↓
Cancer 31 Day Combined Standard	96%	100.8%	89.9%	↓	91.0%	↓
Cancer 62 Day Combined Standard	85%	66.7%	69.1%	↑	68.7%	↑
Elective Recovery (ERF)	109%		111.30%	↑		

Referral to Treatment Waiting Times

During 2023/24, 12.5% more people were referred into our hospitals for treatment and yet the volume of elective activity has increased resulting in a 2.6% reduction in our overall waiting list size since April 2023. Cumulative performance against the 18-week standard was 61.65% against the 92% standard which is aligned to the previous year. The focus continues to be on reducing our longest waits which is a legacy of the Covid-19 pandemic. As at March 2024 there were 43 patients waiting longer than 78 weeks, 452 patients waiting longer than 65 weeks and no patients waiting over 104 weeks.





Community Health Services Waiting List

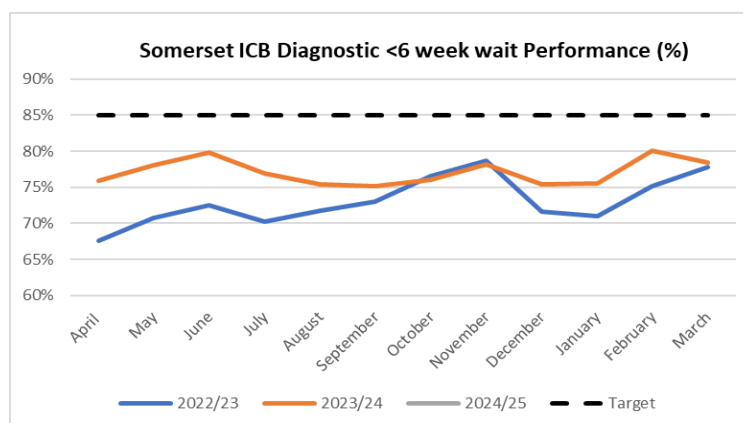
Community health services are made up of adult and children's services delivered by Somerset NHS Foundation Trust. When comparing March 2023 to March 2024, the total waiting list has reduced by 3.4%, from 9,357 to 9,049. There have been increases in the number of people awaiting children's therapy services (specifically speech and language, and physiotherapy services) and the number of adults on the MSK physiotherapy waiting list.

Our priority remains on those services encountering the longest waits, with a focus initially on podiatry. As of 31 March 2024 (latest position) the podiatry waiting list was 1,197 (a decrease of 951 people against the March 2023 position of 2,148). Of which, 639 people waited 18 weeks or more for treatment, as follows: 377 waiting 18-51 weeks, 214 waiting 52-103 weeks and 45 waiting over 104 weeks. Actions and plans are in place to address those services with high numbers of people on our waiting lists.

Diagnostic Waiting Times

Somerset's cumulative 6-week wait performance during 2023/24 was 77.55% against the year-end recovery ambition of 85%. The volume of diagnostic activity has increased by 9% compared to the same period in 2022/23 underpinned by additional activity delivered through community diagnostic centres and increasing in-house capacity. Our greatest areas of challenge recently have been in the radiology and endoscopy services due to periods of very high demand and other isolated issues impacting upon capacity. Conversely, we have seen an improvement in the physiological modalities specifically in the echocardiography service resulting in the 6-week backlog reducing.

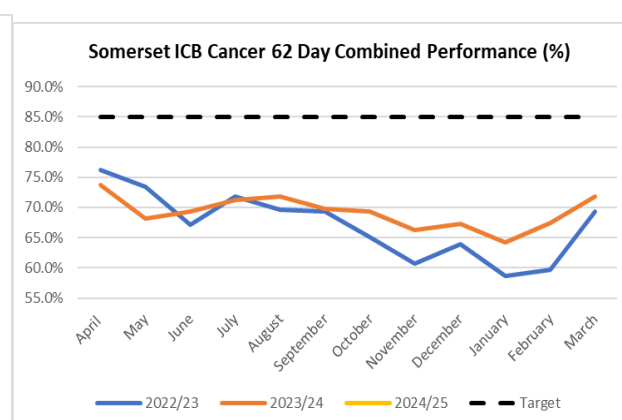
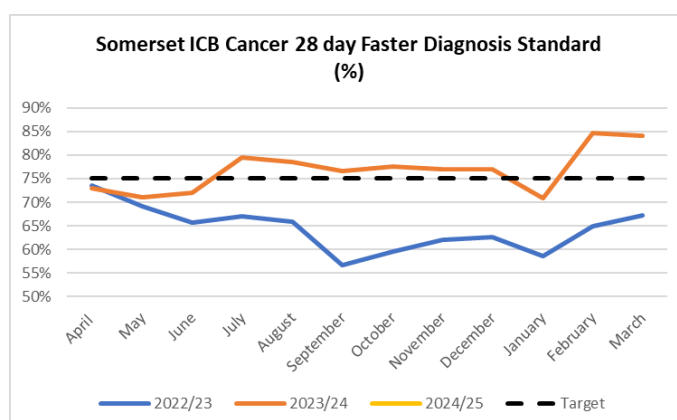




Cancer Waiting Times

In October 2023 national cancer standards were condensed from nine in total to three: 28-day faster diagnosis; 31-day combined standard; and 62-day combined standard.

During 2023/24 we saw a 4.4% increase in the number of patients referred by their GP on a suspected cancer pathway resulting in increased demand across all stages of the cancer pathways, including a 9.8% increase in the number of patients receiving a first definitive cancer treatment. The 28-day faster diagnosis standard (FDS) performance was 73.5% against the 75% standard with a noted improvement in quarter 4 of 2023/24. 89.9% of patients received their first definitive cancer treatment within 31 days against the 96% standard and 69.1% of patients received treatment within 62 days of referral from either a GP, consultant upgrade or from the screening service (with a notable reduction observed in the 62-day backlog at Somerset NHS Foundation Trust reducing from 242 (at its peak in May 2023) to 145 as at week ending 31 March 2024).



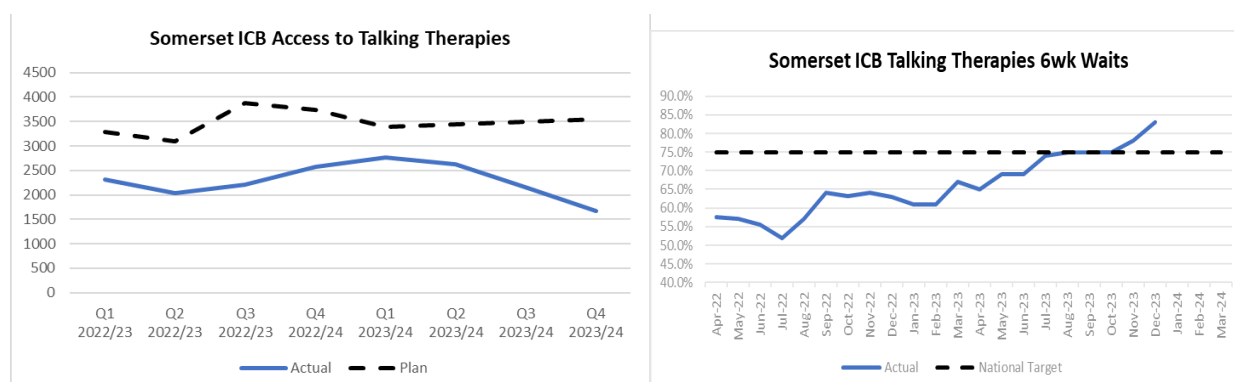


Mental Health Services

Measure	Standard	23/24 YTD				23-24 Month/Date Reported to
		Somerset ICB	Change to 22/23	National Avg	Change to National Avg	
IAPT Access Performance	13896	10,000	↑			Mar-24
IAPT Recovery Performance	50%	54%	↓	49.80%	↓	Mar-24
CYP Access	7473	6350	↑			Mar-24
Perinatal & Maternal Mental Health Access	547	680	↑			Mar-24
Community Mental Health Services - Trans	3,862	10,520	↑	348,723		Mar-24
Community Mental Health Services	8746	10,355	↑	579,537		Mar-24
Dementia Diagnosis	67.7%	54.8%	↓	64.80%	↓	Mar-24
PHSMI	75%	74.4%	↑	tbc		Q4 -23/24
LD Annual Health Checks	75%	76.70%	↓	77.23%	↑	Q4 -23/24
LD Out of Area Placements (bed days)	0	0	↓	-		Q4 -23/24
LD Children on Adult Ward	0	0	→	-		Mar-24

Talking Therapies (Formerly IAPT)

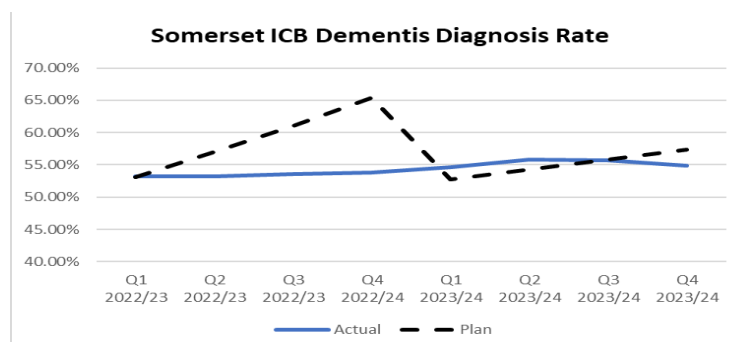
The number of people accessing the talking therapies service in 2023/24 increased from the previous year: 10,000 people accessed this service in 2023/24 to March 2024 against an indicative target of 13,896 (71.96% delivered) and exceeds the national plan delivery of 62%. During this period there has been a significant improvement in 6 week waiting times performance and the service continues to exceed the national target for 18 week waits and recovery.



Dementia

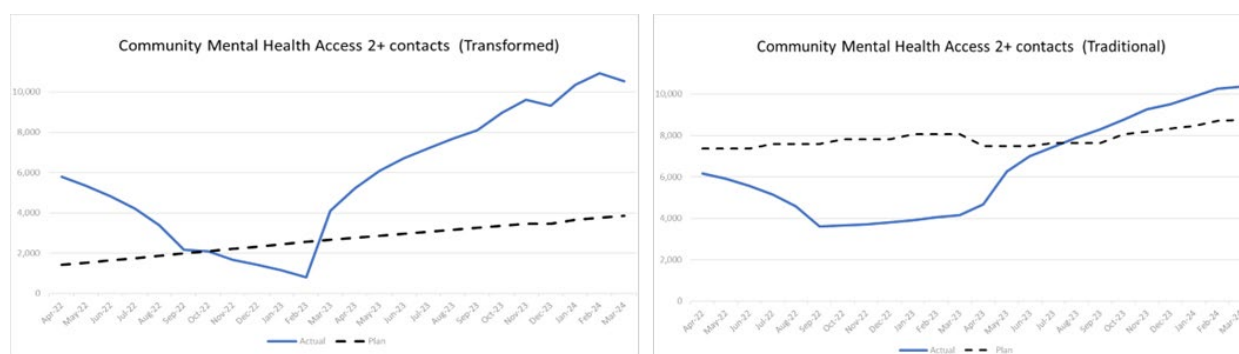
Whilst work continues to improve our dementia diagnosis rate in 2023/24 we remain behind plan and the national ambition with performance of 54.9% against our improvement plan of 57.40% (and 67.7% national ambition).





Community Mental Health for Adults

There has been significant improvement year on year in the activity delivered within community mental health services. Somerset is now exceeding the national target due to continued investment in community mental health services as well as improvements in data quality and completeness.

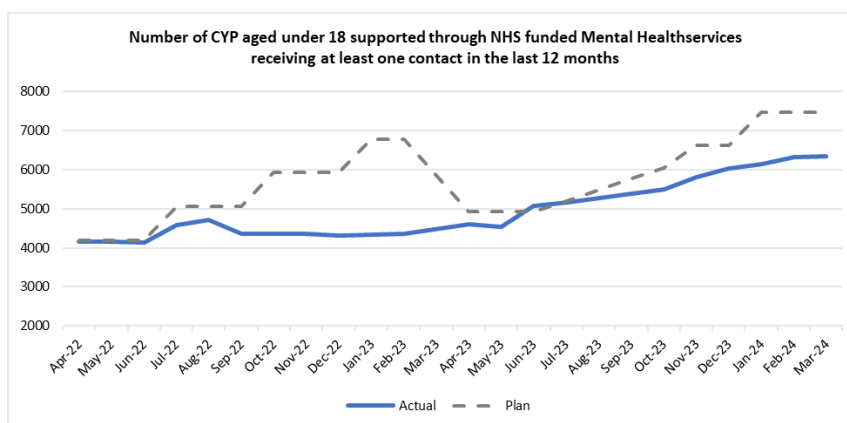


Children and Young People (CYP) Access and Community Eating Disorder Services

On a rolling 12-month basis to March 2024, performance for CYP accessing mental health services delivered 6,350 contacts against a plan of 7,473 contacts (85% achieved) and represents a significant year on year improvement.

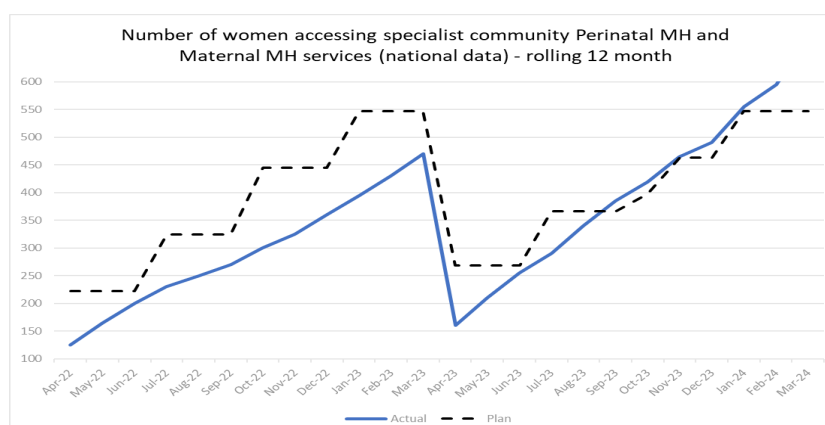
On the same rolling 12-month basis to March 2024, performance for routine appointments for the eating disorder service was 96.2%, whilst for urgent patients, performance was 93.8%, against the national standards of 95%.





Perinatal and Maternal Mental Health

680 women accessed the perinatal and maternal mental health services (PMHS) in the 12-month period to March 2024, exceeding the annual target of 547. Achievement reflects expansion of the PMHS service and also the launch of the maternal mental health service (MMHS), to align with maternal mental health awareness week.



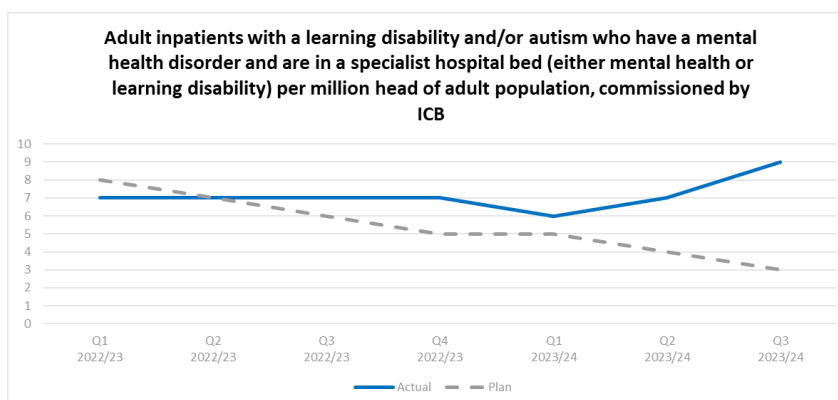
Learning Disabilities Annual Health Checks

2,656 Learning Disabilities Annual Health Checks (LD AHCs) (76.7% of the planned LD register size) were completed between April 2023 and March 2024.

Learning Disability Reliance on Inpatient Care

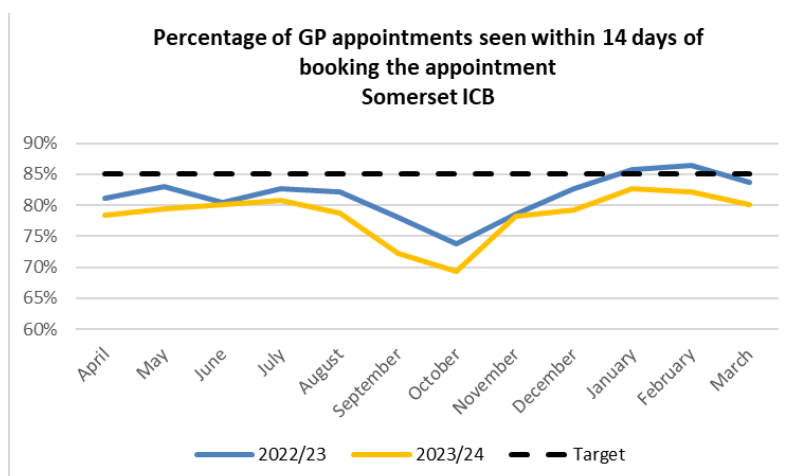
Somerset has small numbers of adult and child inpatients and compares favourably regionally and nationally. During Q4 of 2023/24 the plan has been slightly exceeded (ICB: 8 adults against a plan of 5; provider collaborative: 7 adults against a plan of 6).





Primary Care and Community

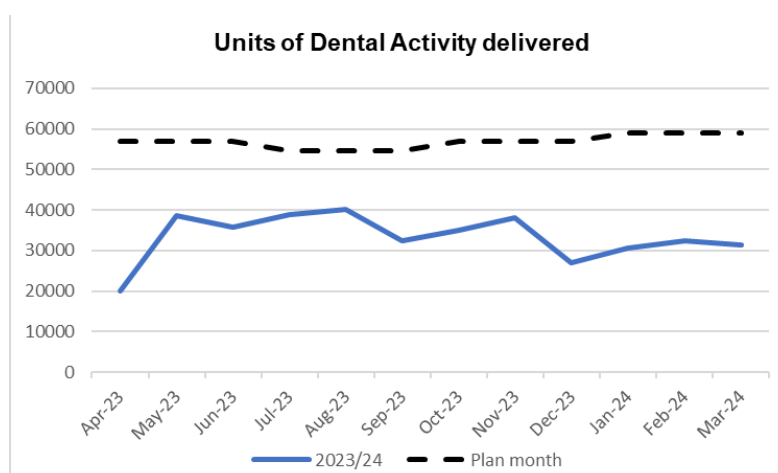
The number of GP appointments when comparing 2023/24 to 2022/23 has increased by 3.7% but is slightly below the 2023/24 plan. There was a slight decline in the percentage of GP appointments seen within 14 days of booking. Actions are in place to recover primary care access throughout 2023/24.



Dental Access

Access to dental care in Somerset is still experiencing challenges created during the Covid-19 pandemic. Activity reduced by 98% during the first wave and accessing dental care continues to be challenged throughout 2023/24. Somerset did not meet the plan for the units of dental activity delivered in 2023/24 despite a steady increase in the volume of activity, however, a recovery plan is in place to increase access and therefore the level of activity. As at March 2024 Somerset has delivered 45.26% of the contracted units of dental activity, which is a 12.26% decrease from March 2023.





Performance Overview – Statutory Duties Overview as Required Under the Annual Report

Mental Health

NHS England requires all ICBs in England to deliver the Mental Health Investment Standard (MHIS), a target that requires an increase in spending on mental health services by a greater proportion than the overall increase in budget allocations each financial year. The aim of this target is to support the ambitions within the [NHS Long Term Plan](#) to ensure that essential investment is made into developing the provision of mental health services.

NHS Somerset ICB have reported full compliance with our obligations for the required levels of investment in mental health services for the 2023/24 financial year. The reported investment values will be subject to review by an independent auditor and the outcomes of these reviews will be made available on the NHS Somerset ICB website when complete.

The table below demonstrates the amount of reported mental health expenditure incurred by NHS Somerset ICB during the financial years 2022/23 and 2023/24, and the proportion of this expenditure against our programme resource allocation.

Financial Years	2023/24 £'000	2022/23 £'000
Mental Health Spend	107,514	97,748
ICB Programme Allocation	1,314,621	1,206,044
Mental Health Spend as a proportion of ICB Programme Allocation	8.2%	8.1%





Safeguarding Children, Adults and Children, Looked After and Care Leavers

For the purposes of this report safeguarding includes but is not limited to: Safeguarding Children, Safeguarding Adults, Children Looked After, Care Leavers, Domestic Abuse, Prevent, Exploitation, Serious Violence, Mental Capacity, Child Death Reviews, Female Genital Mutilation (FGM) , Anti-Social Behaviour, and Deprivation of Liberty.

As set out in legislation the three safeguarding partners in Somerset (Local Authority, ICBs and Avon and Somerset Police) have worked together with other agencies to safeguard and promote the welfare of children, adults at risk, children looked after and care leavers in our local area; through the work of the Safer Somerset Partnership (SSP), the Somerset Safeguarding Adult Board (SSAB) and the Somerset Safeguarding Children Partnership (SSCP), which includes the Corporate Parenting Board. An Executive Partnership Board has been instigated across the local safeguarding system, involving the aforementioned Boards and Partnerships, in order to seek assurance on the efficacy of local safeguarding children, adults, children looked after and care leavers systems and processes.

The safeguarding schedules within short and long form contracts held by NHS Somerset ICB clearly include the requirement for service providers to comply with their statutory duties in accordance with all relevant safeguarding legislation and guidance. The phrase “including but not limited to” is used to make it clear that there is multiple safeguarding legislation and associated guidance they are required to work to.

Throughout 2023/2024 we have worked with partner agencies locally and regionally in relation to implementation of the following legislation, which places additional statutory safeguarding duties on the ICB as a specified authority:

- **Anti-Social Behaviour, Crime and Policing Act 2014** - work is ongoing to develop a multi-agency Information Sharing Agreement and agree an associated process that will enable the ICB to fulfil its statutory duties in relation to this legislation
- **Domestic Abuse Act 2021** – building on multiple workstreams focusing on domestic abuse, which was led by Standing Together, NHS England and the Home Office, the ICB convened a working group looking at how to improve the health system response to Domestic Abuse
- **Police, Crime, Sentencing and Courts Act 2022** - worked with health system and multi-agency partners, to explore how the ICB can meet its statutory duties in relation to the Serious Violence Duty, such as inclusion of local health data in the [Avon and Somerset Violence Reduction Partnership](#) Strategic Needs Assessment.

Safeguarding governance processes within NHS Somerset ICB have been reviewed and as a result a Safeguarding Assurance Meeting was set up in June 2023, the membership of which is from across the ICB and includes colleagues who have responsibility for the commissioning, provision, and quality of services across Somerset.





This group provides oversight and scrutiny of the ICB's commissioning, contracts, risks, gaps, learning from incidents and / or reviews, and compliance with mandatory safeguarding training; demonstrating the ICB's compliance with all aspects of safeguarding duties and responsibilities.

The ICS Strategic Safeguarding Steering Group, led by the ICB, has continued to meet throughout 2023/2024 and has sought assurance on all agency's safeguarding risks, gaps, and workstreams across the system. The group has recently agreed to reconvene on a bi-annual basis with a renewed focus on shared organisational safeguarding risks.

[Somerset's Joint Forward Plan](#) for 2023 to 2028 details how the Integrated Care System (ICS) will ensure that all statutory safeguarding duties are discharged, as well as outlining the statutory duty to address the particular needs of victims of abuse, (including domestic abuse, honour-based abuse, sexual abuse, assault, exploitation, and coercion) and the multiple health inequalities they face.

Further demonstration of how Somerset ICB have performed against statutory safeguarding duties is evidenced within the following annual reports for 2022 to 2023:

- [SSAB annual report](#).
- [SSCP 12 monthly report](#).
- [SSP annual report](#).
- [Somerset ICB safeguarding children annual report](#).
- [Somerset ICB children looked after and care leaver's annual report](#).
- [Somerset ICB safeguarding adults annual report](#).
- [Pan Dorset and Somerset Child Death Overview Panel report](#).

The workstream specifically related to child protection information sharing (CP-IS) has not previously been included within the ICB Safeguarding Children policy. This will be addressed in the ICB Safeguarding Children annual report for 2023/ 2024 and the revised ICB Safeguarding Children policy to be published in 2024.

Female Genital Mutilation (FGM), whilst referenced within both our Safeguarding Adult and Safeguarding Children policies, is not specifically covered within the ICB Safeguarding Adult and Safeguarding Children Annual reports for 2022/23. This will be addressed within the annual reports for 2023/2024. The joint ICB Safeguarding schedules, which are updated annually include statutory and mandatory responsibilities in relation to FGM for short and long form contracts held by the ICB.

These Safeguarding schedules also include clear expectations of services we commission in relation to the voice of the individual within safeguarding work. This includes children. The inclusion of the voice of the child in safeguarding work is tested out through the Section 11 audit led by the Somerset Safeguarding Children Partnership; last submitted September 2023. The ICB seeks assurance that all relevant





NHS Providers actively contribute to both the submission of the Section 11 returns, as well as participate in the peer challenge workshops.

There are a range of ways the people of Somerset can get involved in the development of health and care services and a number of different networks and groups in place. Some are included on the ICB website: [How can you get involved - NHS Somerset ICB](#). For children and young people this includes but is not limited to the following groups: The Unstoppables, Somerset in Care Council (SiCC) and Somerset Leaving Care Council (SLCC).

Climate Change

Climate change poses a major threat to our health as well as our planet with direct and immediate consequences for our patients, the public and the NHS. Understanding that climate change and human health are inextricably linked, in October 2020, the NHS became the first in the world to commit to delivering a net zero health system. This means improving healthcare while reducing harmful carbon emissions, and investing in efforts that remove greenhouse gases from the atmosphere. With 4% of the country's carbon emissions, and over 7% of the economy, the NHS has a key role to play in meeting the net zero targets set under the Climate Change Act.

Climate change is important to NHS Somerset ICB, we published the [Somerset ICS Green Plan 2022](#) and to ensure that our progress has good oversight we established a Sustainability Steering Group which is well embedded within the Somerset Integrated Care System (ICS) governance structure, this has attendance from across the ICS and has membership which includes our Chief Finance Officer and Director of Performance and Contracting who is the ICB's lead executive for sustainability.

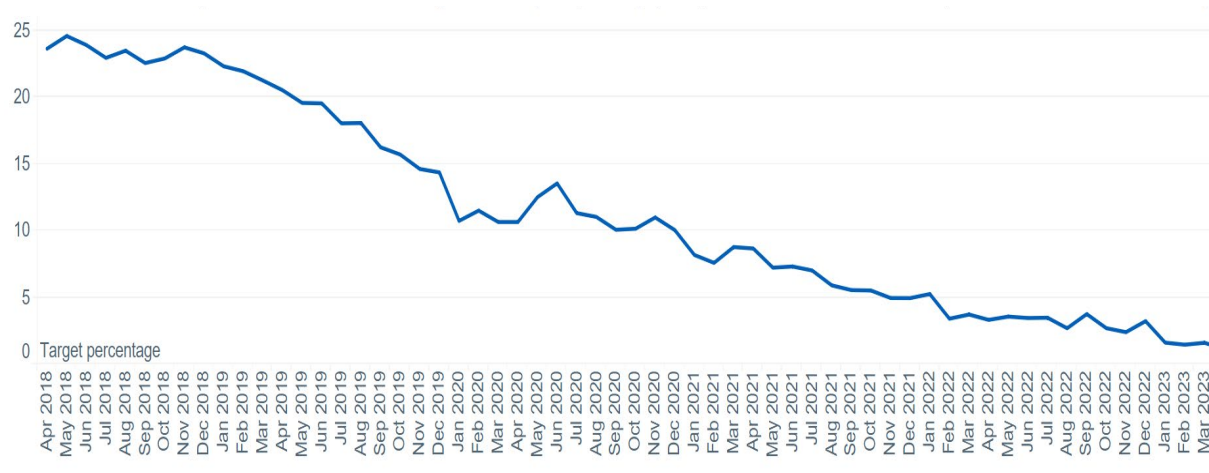
Since, the publication of our Somerset ICS Green Plan in March 2022, good progress has been made across the Somerset ICS. Estates data is recorded through the estates return information collection (ERIC). For primary care it is more fragmented but the Primary Care Network (PCN) estates toolkit project has provided Somerset ICS with core estates data around ageing estate, vulnerabilities and risk attributed to climate change. Data is also collected from open prescribing, greener NHS dashboard and greener quarterly returns that include travel and transport, estates and adaptation.

Across our ICS estate, we are 100% compliant with the net zero building standard. All new builds to be built to net zero carbon and/or achieve BREEAM¹ outstanding. Under the Environment Act 2021, all planning permissions granted in England must deliver at least 10% biodiversity net gain from 12 February 2024. This is in our Estates Strategy.

In terms of medicines management, desflurane is no longer used by Somerset NHS Foundation Trust. The downward trend is shown below:

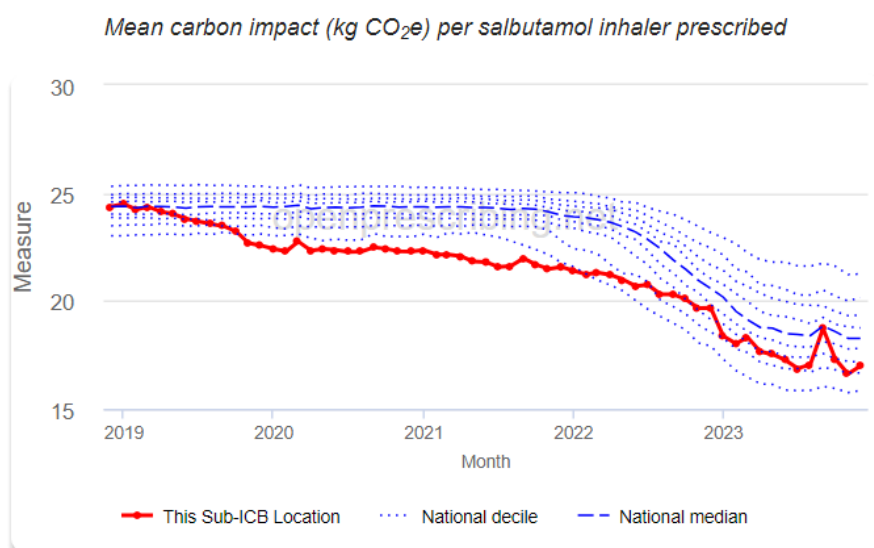
¹ Building Research Establishment Environmental Assessment Methodology





Volatile Aesthetic Gases²

The continuing reduction of salbutamol metered dose inhalers (MDIs), the single biggest source of carbon emissions from NHS medicines prescribing (see graph below). The red line demonstrates the continuing reduction of MDI prescribing. The NHS has [committed to reducing its carbon footprint by 80% by 2028 to 2032](#), including a shift to lower carbon inhalers. The [NHS England National Medicines Optimisation Opportunities for 2023/24](#) identify reducing carbon emissions from inhalers as an area for improvement.



Mean carbon impact – Primary Care Inhalers³

² (source [Greener NHS Dashboard \(NHS Organisations\): Volatile anaesthetic gases - Tableau Server \(england.nhs.uk\)](#))

³ (Source: [Prescribing on Environmental impact of inhalers - average carbon footprint per salbutamol inhaler for NHS SOMERSET | OpenPrescribing](#))





In travel and transport, all new vehicle purchases and lease arrangements across Somerset ICS are solely ULEV (ultra-low emission vehicles) or ZEV (zero emission vehicles). This is an important area of progress, as it is one of the largest contributors to the NHS emissions profile in scope 3⁴ of the NHS emissions profile.

The table below shows the annual CO₂e emissions associated with different modes of transport. The highest travel and transport mode contributor to the NHS carbon footprint are emissions from emergency ambulances at approximately 102 kt CO₂e/year and emissions from all NHS staff commuting are estimated at around 560 kt CO₂e/year of the NHS carbon footprint plus (scope 3).

Broad Travel Category	Category	Emissions (ktCO ₂ e/year)
Owned/leased fleet	Double-crewed ambulances (DCA)	102
Owned/leased fleet	Emergency response vehicles (ERV)	10
Owned/leased fleet	Non-emergency patient transport services (NEPTS)	26
Owned/leased fleet	Other	39
Business travel	Secondary care grey fleet	87
Business travel	Primary care grey fleet	52
Business travel	Other (eg, travel associated with commissioned NEPTS services)	84
Staff commute (carbon footprint plus)	Staff commute	560

Emissions from across NHS travel and transport modes⁵

Somerset ICS has fully embedded sustainability in all procurements, and is 100% compliant with [Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans](#) and [Procurement Policy Note 06/20 taking account of social value in procurement](#). Carbon reduction plans are required as part of the procurement process. From 1 April the net zero commitment is required for the procurement process pass/fail check in the standard selection questionnaire above the Public Contracts Regulations (PCR 2015) threshold (£138,760). Bidders are invited to use the [Social Value Model](#).

As an ICS we are developing a platform that records social value metrics as key performance indicators. Suppliers will be able to track and monitor progress against their contractual commitments. This will provide the ICS with quantitative data, as well as existing qualitative data. We will be introducing the [Evergreen Sustainable Supplier Assessment](#) for suppliers to measure and monitor their own carbon reduction.

Excellent progress has been made across digital transformation. [Brave AI](#) (artificial intelligence) is used in nine of the thirteen PCNs, significantly reducing patient travel for

⁴ Scope 3: covers all other indirect emissions associated with an organisation's operations

⁵ Source [NHS England » Net Zero travel and transport strategy](#)





GP and hospital visits. The [NHS App](#) has been rolled out alongside our digital inclusion programme, and the [SIDeR](#) Somerset integrated digital e-record, a shared care record system, which gives an overview of personal health and social care information in one digital record, has now been fully implemented. Telemedicine also decreases travel mileage for patients needing to attend primary care appointments.

The Health and Care Act 2022 further underscores the importance of the NHS's robust response to climate change, placing new duties on NHS England, and all trusts, foundation trusts, and integrated care boards to contribute towards statutory emissions and environmental targets. Our Somerset ICS Green Plan metrics can also be viewed in the KPI report, which can be found in [Annex 1 to the performance section](#).

Improving Quality

In line with our duty under section 14R of the Health and Social Care Act 2012, we have collaborated with Somerset ICS partners to ensure all our statutory duties relating to improving the quality of services are met. Our NHS Somerset Quality Committee provides the governance and compliance function for the ICB, processes are in place for escalation and reporting to the ICB Board and to regional and national quality and safety boards.

Patient Safety

During 2023/24 we have continued to engage with stakeholders and Somerset ICS partners supporting the transition to the Patient Safety Incident Response Framework (PSIRF), published in August 2022. The following activity has been undertaken:

- thematic review of all patient safety data
- development and approval of an overarching Somerset PSIRF plan and policy
- commissioned system wide training with accredited provider, MedLed
- several providers have transitioned to PSIRF, we continue to review and support others with their plans and policies
- actively supported learning reviews in line with PSIRF principles, summaries from which are shared for wider learning
- appointed two patient safety partners.

Maternity

The following quality improvement activities have been undertaken to improve the safety, experience and outcomes of pregnant people and babies within Somerset:

- we published the Maternity Equity Strategy [Somerset Maternity Voices Partnership - NHS Somerset ICB](#) as part of our Maternity Transformation Plan, setting out how every parent accessing maternity care should have a fair and just opportunity to have a healthy pregnancy, and a healthy baby





- committed to NHS England to support a pilot programme to introduce the role of Maternity and Neonatal Independent Senior Advocate providing an opportunity for all birthing people to access independent support when traumatic incidents occur
- we have reduced the number of pregnant people smoking at the time of delivery in line with the Saving Babies Lives Care Bundle⁶
- we have launched the perinatal pelvic health service to support new mothers at high risk of pregnancy related incontinence and preventing future problems
- we have strengthened our relationship with the Local maternity Neonatal Service (LMNS) in Dorset, providing an opportunity to learn and share best practice
- working in partnership with the Somerset public health team and Somerset NHS Foundation Trust we have launched the FOREST project ([giving] families opportunities and resources for early years support, together) in two pilot areas
- we continue to fully engage with NHS England reporting requirements around quality and safety with full transparency for oversight and learning.

Mental Health and Learning Disability

We have led on the delivery of Oliver McGowan mandatory training working closely with colleagues from health and social care, and this training commenced in Somerset in July 2023. We are supporting a number of quality improvement projects which aim to address the health inequalities faced by people with a learning disability and autistic people when accessing health care. These projects focus on improving the care experiences for these individuals when attending local emergency departments and improve access to healthy lifestyles education and training.

LeDeR: Learning from Lives and Deaths

We are responsible for the implementation of LeDeR⁷ reviews in Somerset, a service improvement programme aiming to improve care, reduce health inequalities and prevent premature mortality of people with learning disabilities and autistic people. During the year we have worked with OpenStorytellers, a day service for people with learning disabilities, and BiggerHouse Film to create a film about death and dying to encourage people to have meaningful, proactive conversations about death, dying and their personal wishes. We are also supporting colleagues across the system to ensure LeDeR learning informs the development of new services e.g. Cancer Screening Liaison Team and End of Life Care Practice Facilitator.

⁶ Saving Babies' Lives Care Bundle. More information can be found here: <https://www.england.nhs.uk/mat-transformation/saving-babies/>

⁷ More information on LeDer can be found here: <https://leder.nhs.uk/about>





Infection Prevention and Control

Our infection prevention management (IPM) team continues to promote and provide education and training opportunities across the Somerset ICS. Somerset has seen a reduction in E-Coli blood stream infections from regional and national outliers 2022/23 to second highest regionally and below the national average. The IPM team has appointed a sustainability lead who is working collaboratively with system partners to identify opportunities for a sustainable approach across health and social care.

The IPM team continue to work collaboratively with NHS England, UK Health Security Agency (UK HAS), Somerset Council public health teams and many other organisations to ensure we obtain and impart the correct advice and/or information dependent on the situation/organism presented such as:

- development of pathways/processes in response to national/local situations e.g. measles
- outbreak management across Somerset ICS
- responding to health needs of the population.

Engaging People and Communities

Working with People and Communities

By, listening to, involving and empowering our people and communities, NHS Somerset ICB can ensure they are at the heart of decision-making and that we are putting our population's needs at the heart of all we do.

Our [Working with People and Communities Engagement Strategy](#) outlines our strategic approach to involving people and communities. Our strategy aligns with the [10 national principles of partnership involvement](#) published by NHS England and our [legal duties](#).

We want the people of Somerset to work with us to help develop their local health and care services and have meaningful involvement and influence in decision making. We continue to find inclusive ways of reaching and listening to people, specifically those with poor health and the greatest needs, so we can better understand how to improve their access and experience of services and support their health and wellbeing.

We will continue to work to see if we are making a difference, not only by looking at facts and figures, but also asking people how well we are doing.

Governance Structures to Support Involvement and Engagement

Involving people and communities in governance is about more than membership of meetings, it concerns how we take account of people's experience and aspirations.





Transparent decision-making with people and communities involved in governance, meetings held in public, published minutes and regular updates on progress, support our accountability and responsiveness. Our [NHS Somerset constitution](#) details how we involve the public in our governance. Our ICB Board meetings are open for the public to attend. Members of the public can raise public questions prior to the meeting. Papers are published on the NHS Somerset website here: [NHS Somerset ICB Board Papers](#).

The NHS Somerset ICB Board includes representatives from the voluntary, community, faith and social enterprise (VCFSE) sector and [Healthwatch Somerset](#).

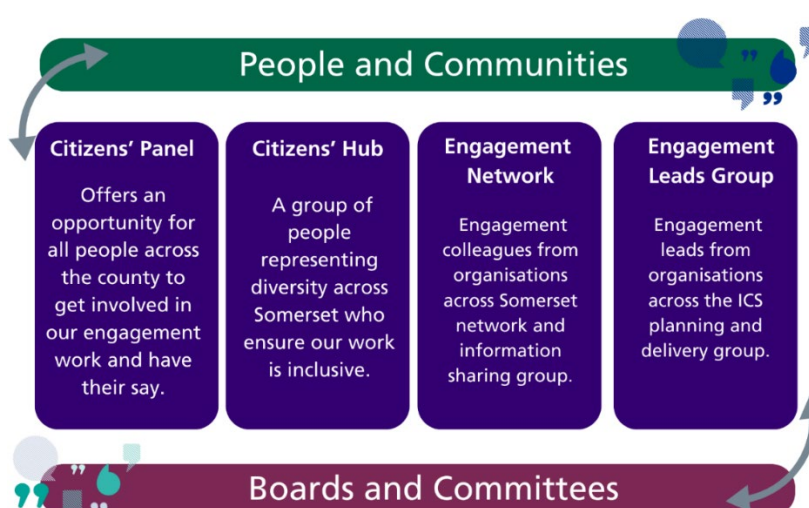
Our Engagement Networks and Mechanisms

During 2023/24, we have renewed our engagement structures to ensure alignment with the delivery of our strategic aims, that the voices of different communities are heard and that we can work collaboratively to improve health and care in Somerset.

We have established an Engagement Leads Co-ordination Group as the mechanism to co-ordinate and deliver our people and communities work across Somerset ICS. This group includes membership from across the ICS, Healthwatch and VCFSE partners.

We work closely with all our partners, patients, public, carers, staff, and stakeholders to continue to build on our existing relationships across Somerset. We are committed to making sure that our focus is to involve and engage people in a variety of different ways and are committed to transparency and meaningful engagement.

Read about [our engagement structures](#) and how we involve people and communities.



The voluntary sector assembly is led by [Spark Somerset](#) to ensure it runs effectively and has inclusive geographic coverage. The assembly is open to all VCFSE

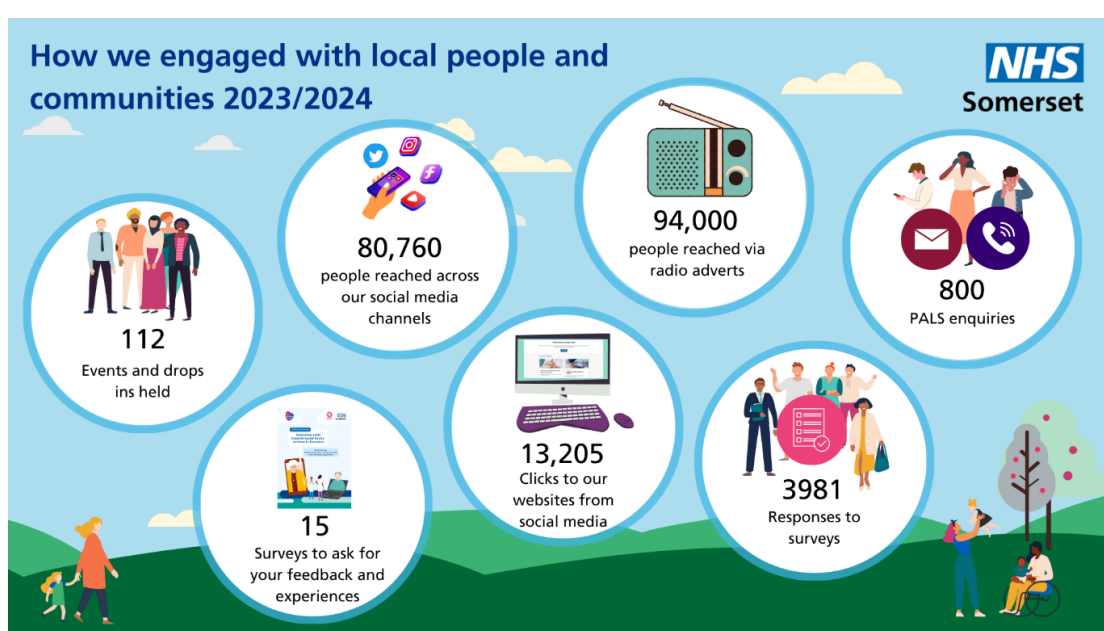




organisations in Somerset and is a collaborative forum for the voluntary sector to work together as part of Somerset ICS.

Working with people and communities

We continue to produce our spotlight reports which highlights our activity and key themes from our work with people and communities.



Our process of public involvement for service change ensures we meet and exceed our legal duties to involve, beginning our engagement at an early, developmental stage.

NHS Somerset ICB is a member of the Consultation Institute, the best practice institute for public consultation who provide us with specialist consultation advice and guidance.

We are committed to making our public engagement activities and involvement opportunities as accessible as possible and we want to make sure that people with differing needs can take part. For example, we use wheelchair accessible venues, we can access language and British Sign Language (BSL) interpreters and have a portable hearing loop for engagement events and meetings.

We have supported and led several engagement programmes and examples of these can be found on our website: [Our work with people and communities](#) and for more information about our work our [Citizens' Panel - NHS Somerset ICB](#).

The following are a few highlights of our engagement work in 2023/24:





- we set up a working group to develop our new Citizens' Hub, which is a refreshed version of our Somerset Engagement and Advisory Group. It will help gather insights from different communities and feed this back to NHS Somerset
- the VCFSE assembly held its first meetings
- we completed our 12-week public consultation for the Somerset acute hospital-based stroke review. The consultation gathered feedback about the future of acute hospital-based stroke services in Somerset. Our [consultation activity report](#) highlights how we reached people and how we adapted our approach and plans during the consultation. Read more at www.oursomerset.org.uk/stroke
- we have been getting out and about more in our local communities. We hosted the Health Tent at [Pride in Priorswood](#)
- as part of our NHS 75th birthday celebrations we gathered stories of the NHS from people in Somerset. See [NHS 75th Birthday](#) highlights
- we supported Healthwatch Somerset with engagement in our emergency departments. 283 surveys were completed, which informed our winter planning
- we attended the Taunton and Bridgwater Deaf Club. They are passionate about improving accessibility. As a result of engagement, we are looking into our translator service and how to improve services for anyone with a hearing impairment
- to support our [Neuro rehab services review](#) we delivered workshops and online sessions to hear more from people with lived experience of neuro rehabilitation services. Feedback will help shape the future of these services
- we support colleagues with engagement across Somerset ICS, including the facilitation of the West Somerset Access to Care Project, working to help transform podiatry services, and building improved understanding of what personalised care means to people and communities
- we were successful in our bid for NHS England and the Department of Health and Social Care funding to deliver a Research Engagement Network ([REN](#)) project in Somerset. The aim is to work in partnership with VCFSE organisations, to engage under-represented groups and communities to improve research participation.

Feedback received from public engagement and consultation is reported and heard at multiple levels of NHS Somerset ICB's governance structure, from the Board itself through all tiers of the organisation. This helps to promote discussion, ensuring public voices influence decisions about the development of services.





Engagement Support to GP Practices

Our engagement team continues to support GP practices and patient participation groups (PPGs) to engage with their practice population about changes and developments such as branch closures, staff changes and premises developments.

In addition to our weekly GP bulletin, we provide communications' resources for our practices to support them in their communications to their patients. In Somerset, we have a county-wide network of active PPG chairs who meet on a bi-monthly basis. NHS Somerset ICB has continued to support and work with our PPG Chairs' Network.

Patient Advice and Liaison Service (PALS)⁸

Our patient advice and liaison service (PALS) offers advice and support to patients, their families and carers. We listen and respond to concerns, suggestions or queries.

In 2023/24 our PALS supported 800 people to find the information they needed about NHS services in Somerset. PALS work closely with colleagues including patient safety and primary care colleagues to ensure PALS insights are shared and used to inform our wider engagement, commissioning decisions and improve the patient experience.

The main themes arising from the enquiries were: access to Covid-19 vaccinations, access to NHS dentistry and access to GP appointments.

Engagement to Reduce Inequalities

It is important that we involve a wide range of individuals from all groups in our work. It is also important that we listen to and engage with under-represented communities, and those who are often not heard, such as carers, homeless people, veterans, and people living in deprivation, to share their views and have their voices heard to address health inequalities. We do this by building on our existing relationships and working in partnership with key stakeholders in the VCFSE sector.

We use our Equality Impact Assessment (EIA) process and [Health Equity Assessment Tool \(HEAT\)](#) to help us understand any necessary targeted interventions.

We are in the process of re-establishing our participation fund to support organisations to engage with communities who we may not be able to effectively reach ourselves.

Communications

Opportunities to get involved are promoted via our Citizen's Panel, via our VCFSE partners, our engagement bulletin, ICS newsletter, the NHS Somerset ICB website, our social media channels and via the media.

⁸ Contacting our PALS service: <https://nhssomerset.nhs.uk/contact-us/patient-advice-and-liaison-service-pals/>





We continue to grow our social media presence to engage and promote opportunities to have your say to a wide audience. This includes developing more of a presence on Next Door where we receive a high rate of interaction.

We aim to promote the work of NHS Somerset ICB in an open and transparent way and share information about our work and how people can get involved, for example:

- we have refreshed our engagement bulletin and created an ICS (Our Somerset) newsletter with a wider audience and more opportunities to get involved
- in August 2023, we completed the second stage of our website refresh, making it easier for people to navigate and find information. We work with key communities to ensure our website meets the needs of different communities and is accessible. We have launched a working group to progress this work further
- we use social media and other digital platforms to provide opportunities for open and honest engagement. Information is presented in ways that are easy to digest via infographics, short videos and animations, case studies, and pictures. We ensure posts can be shared easily, helping to reach a wider audience. We have trialled polls and insight gathering via social media, which is generating valuable perceptions from a wider audience. We utilise organic and paid for content. We work with our system partners to share and amplify each other's content
- press releases are posted on our websites, shared on our social media channels and sent to our media distribution contacts. We have seen increased local and national media coverage and this is an area we will continue to grow and develop
- during 2023/24 we have run several local campaigns both ICB led and jointly with the wider ICS. These have included our Live Well this Winter, Covid-19 vaccination; flu vaccination winter campaign; sloppy slippers and hypertension. These were multichannel campaigns running across social media, digital platforms and out of home.

We give feedback to people about how their engagement has made a difference to how we work and what we do. We are also open and honest when we cannot take something forward and explain why. We have refreshed our 'you said, we are doing' templates so we can consistently provide feedback to people and demonstrate the difference they are making.

Personalised Care and Patient Choice

NHS Somerset ICB is committed to promoting the involvement of patients in their personalised care journey and has an ambitious programme of work to support this. This programme of work sits within the Personalised Care Steering group project plan and has clear actions and milestones. The Personalised Care steering group is made





up of broad system representation and feeds into and is held to account to deliver to the Joint Forward Plan (JFP) and operating model by the ICB programme boards. Key areas of this work include:

- public and workforce communication and engagement
- public engagement personalised care campaign
- patient and community involvement in Somerset's personalised care approaches.

Our working with people and communities strategy is a current document and due for a refresh 2024. We have also updated our approach as an ICB and reflected on progress in the refreshed Somerset JFP.

Shared decision is a key component in the change in culture required to deliver a Personalised Care approach across Somerset. Supported by a transformation and quality improvement process, the Personalised Care Steering group have co-produced the vision:

Our connected Somerset system will enable individuals to be equal partners in decision making, based on what matters to them-making this the golden thread that runs through everything we do.

Shared decision making is a collaborative process that involves a person and their healthcare provider working together to reach a joint decision about care. It requires a shift in power dynamics and risk sharing and takes a level of skill, confidence and learning on the part of the healthcare provider and understanding and engagement on the part of the person. Somerset is part of the South West Personalised Care training collaborative and the Somerset system is dependent upon a train the trainer model of delivering Personalised Care and Shared Decision-making training.

NHS Somerset ICB supports the development and growth of a culture of shared decision making and the role of shared decision making in primary care. The ICB is committed to deliver on the Fuller Stocktake via co-designing an approach to Integrated Neighbourhood Working which provides person centred approaches to supporting people to live the best and most fulfilling lives they can-to include all elements of the Comprehensive Model of Personalised Care.

During 2023/24 we have a number of actions in place to support both building personalised conversation and shared decision-making skills for everyone and supporting and facilitating training trajectories. This includes:

- recruitment to Personalised Care Lead Educator role
- roll out accredited Personalised Conversation training programmes across all services, health, social care, education, VCFSE





- all social prescribing link workers and health coaches in primary care are required to have completed the accredited Personalised Conversation and Health Coaching training
- personalised conversation training being trialled to support learning and development of integrated neighbourhood working pilots in two Somerset Primary Care Networks
- accredited one hour e-learning now available on Somerset NHS Foundation Trust and Somerset Council training platforms. We are working to establish this for Primary Care
- a number of communication and engagement initiatives to encourage the update
- currently twelve train the trainers with an anticipated increase to fourteen in 2024/25 and a training trajectory of approximately 200 people/year, plan to increase the training trajectory by 30% in 2024/25
- incorporate personalised conversation training into Somerset Learning Academy and core offer across the system, aligning and working in conjunction with existing training programmes-ongoing
- ringfence funding.

Patient choice including legal right to choice is one of the six components of the comprehensive model of personalised care. Shared decision making, personalised care and support planning (PCSP), personal health budgets (PHB), supported self-management and social prescribing and community-based support all enable patient choice and are all part of the Personalised Care project plan. In Somerset we are working with teams across our system to understand how they support patient choice and what learning can be taken from exemplar teams across the county who embed patient choice in their approach and team culture.

We are committed to ensuring the right patient choice is upheld and we have worked with NHS England to develop our choice plan. We regularly communicate with our GPs so that all relevant choice options are selected for our patients. This is supported by the South Central and West Commissioning Support Unit (SCW CSU) who provide our GP liaison and e-RS support services. This includes advice and support on where waiting times might be less for a particular service. Through the patient initiated digital mutual aid system (PIDMAS) process we have been encouraging patients who are already waiting to exercise the choice to be seen elsewhere where waiting times are less.

We have published our provider accreditation process [Our Constitution and Governance - NHS Somerset ICB](#) to increase the offer for our patients in Somerset.





Our hospital at home programme enables patients to improve the choice they have about how and where their care is delivered. We have multiple examples of the service enabling patients to go home from hospital earlier, where they have personally requested this. Our respiratory at home service works closely with all Chronic obstructive pulmonary disease (COPD) exacerbations to help patients understand their condition and medications much better giving them a greater chance of avoiding many of the hospital stays they would previously have experienced. Patients will often self-refer to the service at the early stages of an exacerbation for support, helping them to remain at home in line with their wishes.

Much of the work of the frailty hospital at home is working with individuals to provide hospital level care at home, avoiding an admission altogether. We have multiple examples of the team supporting a patient in line with their treatment escalation plan (TEP) or Advanced Care Plan where the patient has specifically stated they do not wish to be admitted to hospital. This has included supporting patients to die in the place they call home.

We are working with our Somerset system colleagues to develop a standard approach to personalised care and support planning (PCSP) in order to be able to capture personalised conversations, patient choice and support people to be able to tell their story once, to the right person at the right time in the right place. We have completed a mapping exercise of the different approaches across the system and have a series of facilitated workshops planned to bring stakeholders together to explore a unified approach for the people of Somerset. We are co-producing this approach with the support of a community led task and finish group and we are supported by our digital team. The programme will be underpinned by an education, training and awareness programme and a communications and engagement approach in order to upskill teams to have shared decision-making conversations and enable patient choice and to capture the patient's story and their choices on a personalised care and support template, socialised across the system.

Respect for Human Rights and Diversity

NHS Somerset ICB is confident in its response to legal duties under the Public Sector Equality Duty, ensuring we:

- eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Equality Act 2010
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.





We make every effort to involve individuals from all protected characteristic groups in our work, for example, young people, older people, and lesbian, gay, bisexual, transgender, and questioning (LGBTQ) groups. It is important that we listen to under-represented communities, such as carers, homeless people, veterans, and people living in deprivation, to make sure we engage with a diverse range of people to allow them to share their views and have their voices heard to address health inequalities.

We have designed, developed, and implemented initiatives and programs that influence change in leadership, recruitment and retention, levelling up, discrimination, and culture. By working closely with our Somerset ICS partners we maintain a one workforce approach, supporting strategic objectives and outcomes.

Inclusion is at the heart of all our work and continues to influence strategic and operational plans when responding to Human rights, both legally and ethically.

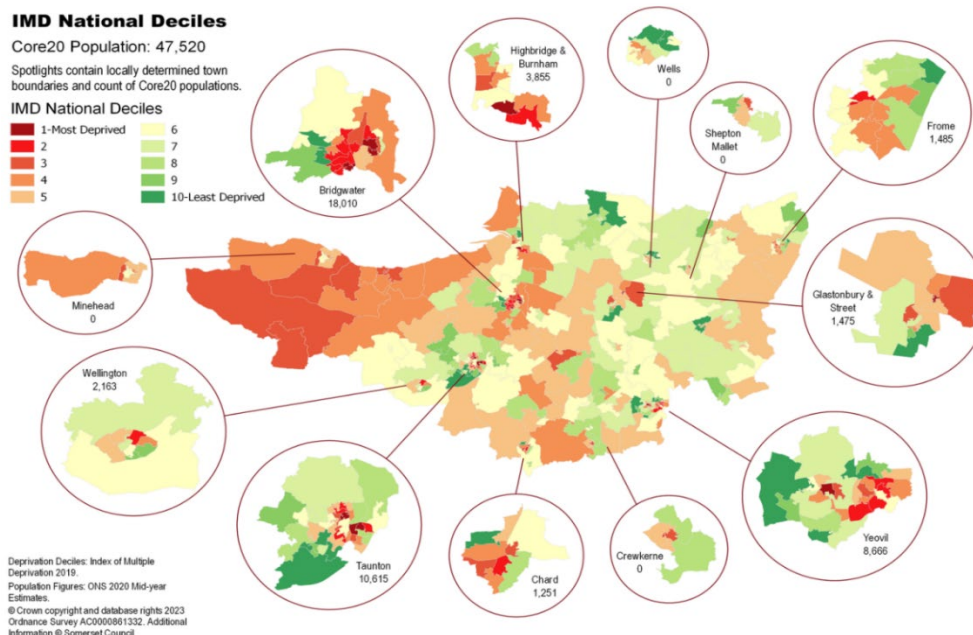
Reducing Health Inequalities

People living in Somerset with more social capital have more opportunities to lead a flourishing life; they also have better health. The two are linked. Those who have access to more resources experience better health outcomes. We know that the primary determinants for health and wellbeing are the wider influences on people's lives: the environments in which they live, their relationships, employment and finances, amongst other factors. The health and care system must play its part in addressing these factors and tackling inequity and inequality.

Evidence shows us that those populations most impacted by health inequalities experience or share the following characteristics: they live in areas of multiple disadvantage, they are influenced by geographical factors that affect access to services, and they are part of groups who have protected characteristics or are in inclusion health groups. Often these needs can overlap and intersect, further compounding the risk of poor health outcomes.

Lower layer super output areas (LSOAs) are clusters of households in a geographical area which normally comprise of an average of 1,500 people. Of the 327 LSOAs in Somerset, 29 are within the most deprived **20%** in England, up from 25 LSOAs at the time of Indices of multiple deprivation (IMD) 2015. The "Somerset North" area has the highest number of LSOAs in this category (13), followed by Somerset West (8), Somerset South (6) and Somerset East (2). These neighbourhoods have a combined population of approximately 46,000. Additionally, the county experiences unique challenges with rurality and data shows that coastal communities can be unfairly impacted [Chief Medical Officer's annual report 2021: health in coastal communities - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/chief-medical-officer-annual-report-2021-health-in-coastal-communities)





Health inequalities are not just defined by geography; there are multiple groups impacted by health inequalities. Somerset has seen a 15-fold increase in refugees and asylum seekers since Autumn 2021. While this only makes up 0.8% of the total number nationally, it requires services to consider our growing global population. Estimates also show us that approximately 600 people are experiencing homelessness with 50% of the homeless population engaging with health services at any given time. Gypsy, roma, traveller and other vulnerable migrant populations have been identified as living on sites that have a direct impact on health outcomes. We want to give more people in Somerset the best healthy life chances currently enjoyed by the few. This will require improved integrated working with partners including housing, police, education, fire and rescue, town and parish councils, VCFSE partners and our employers.

Somerset's Population Health Transformation Management Board has prioritised health transformation as a core workstream. Taking a system convening role in line with the responsibilities of the Joint Director of Public and Population Health, this has enabled the implementation of data collection for the legal requirement, opportunities to embed Core20PLUS5 approaches and the identification of priorities based on local data. With this ambition of strengthening system leadership and accountability we have also established the Inequalities in Health Group (IHG). Its' four priorities are:

- building knowledge of health inequalities through workforce development
- improving the data and evidence
- engaging localities and communities
- providing direction and oversight of health inequalities projects.





In Somerset, as nationally, Covid-19 exposed some of the health and wider inequalities that continue to persist in our population. Recovery across system has focused and continues to be planned in a way that inclusively supports those in greatest need.

To read more key messages from the data that has been collected in line with our legal requirements, along with work currently being undertaken to address health inequalities see: [NHS Somerset - Tackling Healthcare Inequalities: Data and Insights](#)

Innovation and Research

NHS Somerset ICB is a founder member of the Peninsular Research and Innovation Partnership (PRIP), established in July 2023. Its' shared ambition is to create an impact from research and innovation that is greater than the sum of its parts, by working together to establish the South West peninsula as a leading research and innovation system focused on improving health in rural and coastal communities.

Membership includes NHS Somerset ICB's Chief Medical Officer, Somerset NHS Foundation Trust's Research Director, Associate Clinical Director for Research and Innovation, and research nurses, a Public Health Consultant from Somerset Council, and representation from primary care and other interested parties. Together, we are developing our strategic approach to research and innovation.

The PRIP strategy sets out how the partnership will strengthen the conditions for research and innovation, based on five missions determined through consultation with stakeholders:

1. Improving the lives of people living with long term conditions, multiple conditions and frailty.
2. Promoting and enabling quality care for mental health and preventing ill health.
3. Immediate, compassionate and cost-effective urgent care.
4. Prevent, detect and treat cancer.
5. Addressing inequities in maternal and neonatal care.

While NHS Somerset ICB is a relatively new organisation, there are firm foundations in our constituent organisations that make up Somerset ICS and a strong history of supporting, leading and delivering research activity in Somerset.

Education and Training

Education and training are a key component of our plans. The People Board which is a wider ICS committee is hosted by NHS Somerset ICB and is chaired by one of our Non-Executive Directors is responsible for ensuring that education and training are built into everything we do.





Somerset does not have a university within our borders and we are working to address how we train and develop our workforce through developing strategic links with our local education providers.

To ensure that we deliver our future workforce strategy we have developed and implemented our 'Workforce 2035 Scenario Planning' this was an activity that we undertook during this year.

We are building our place-based training offer by working with local colleges as well as the redevelopment of the Grade 2 listed old Bridgwater Hospital and satellite centre in Minehead as a future training Academy for health and social care to develop the skills and capabilities our 'One Workforce' will need now and in the future in response to an ageing population and increasing complexity of needs. The Somerset academy is expected to be open in 2026/27.

We have a whole system approach to education planning and during 2023/24 we achieved the following:

- 308 nursing students have been enrolled at the University Centre Somerset on our local nursing degree programme
- an Inplace Placement Capacity Management system has been established across all learner groups. Our Clinical Placement Expansion Project has delivered over 80 new placement areas opened for learner placements including school, care home and the VCFSE sector
- and there has been an expansion of in education pipelines to support our long-term workforce plan.

With regard workforce transformation we have expanded our Advanced and Enhanced Practitioner roles and we have new apprenticeship and degree routes to entry for registered social work with planned routes for operating department practitioner and occupational therapy.

To ensure that we are an inclusive employer and encourage socio economic regeneration:

- we have a coordinated Somerset system approach to work experience and work within our schools, we have established a Care Leavers Covenant Partnership.
- we have a collaborative approach to international recruitment which we are looking to expand to social care and other organisations in the wider ICS
- we are developing a key worker housing hub to provide advice, support and guidance which will aid workforce attraction, recruitment and retention
- we are focussing on understanding the socio-economic barriers to employment for our population with low level health needs through our Workwell programme





- we will be targeting a Somerset system wide sector work-based academy to areas with high Core20⁹ population or large-scale redundancy within Somerset.

Financial review

Finances

NHS England has directed, under the National Health Service Act 2006 (as amended), that ICBs prepare financial statements in accordance with the 'Group Accounting Manual (GAM)' issued by the Department of Health. The GAM is drafted to meet the requirements of the government financial reporting manual (FRoM). The financial information included in this section of our annual report is taken from the financial statements for the period 1 April 2023 to 31 March 2024.

Overview

NHS financial arrangements for 2023/24 continued to support a Somerset system-based approach to planning and delivery. Integrated Care Systems (ICSs) were issued with two-year revenue allocations spanning 2023/24 and 2024/25. At a national level, total ICB allocations (including Covid-19 and elective recovery funding (ERF)) were flat in real terms with additional funding available to expand capacity. Core ICB capital allocations for 2022/23 to 2024/25 had already been published and remain the foundation of capital planning for future years. ICBs and NHS primary and secondary care providers have been expected to work together to plan and deliver a balanced net system financial position in collaboration with other ICS partners.

The 2023/24 financial framework continued with population-based funding with a move back to system fair shares allocations via convergence adjustments. We are expected to:

- deliver a balanced net system financial position for 2023/24
- achieve core service recovery objectives
- develop robust plans and deliver specific efficiency savings and raise productivity consistent with the goals set out in national guidance to increase activity and improve outcomes within allocated resources
- put in place strong oversight and governance arrangements to drive delivery, supported by clear financial control and monitoring processes
- produce plans that included systematic approaches to understand where productivity has been lost and the actions needed to restore underlying productivity
- reduce agency spending, corporate running costs, procurement and supply chain costs, improve inventory managements and purchase medicines at the most effective price point.

⁹ [NHS England » Core20](#)





Our Somerset health system produced an operational plan for 2023/24 which delivered a balanced net system financial position. Monthly finance reports presented throughout 2023/24 have reported progress against these plans, with analysis of any variances.

ICBs also have a duty to deliver financial balance independently of the ICS (section 223GC of the 2006 Act). This promotes careful financial management and reflects legislation that requires NHS England and ICBs to manage within a fixed budget. Additionally, we are required to ensure that we do not exceed our running cost allocation limit, which is published as part of ICB allocations.

NHS Somerset ICB has delivered a balanced financial position against its allocated revenue resource for the period 1 April 2023 to 31 March 2024.

Financial Duties

During the financial period 1 April 2023 to 31 March 2024, our performance against our financial duties is demonstrated in the table below:

Target Performance	Achieved
Expenditure not to exceed income	✓
Capital resource use does not exceed the amount specified in Directions	✓
Revenue resource use does not exceed the amount specified in Directions	✓
Capital resource use on specified matter(s) does not exceed the amount specified in Directions	N/A
Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	N/A
Revenue administration resource use does not exceed the amount specified in Directions	✓

Analysis of Financial Performance

NHS Somerset ICB has a statutory duty to maintain expenditure within the resource limits set by NHS England.

Revenue expenditure covers general day-to-day running costs and other areas of ongoing expenditure. As demonstrated in the table below, NHS Somerset ICB has met its statutory duty to operate within its revenue resource limits for the period 1 April 2023 to 31 March 2024.

Analysis of Financial Performance 1 April 2023 to 31 March 2024	Programme Costs £'000	Running Costs £'000	Total Revenue Resource £'000
Total net operating cost for the financial year	1,301,155	13,466	1,314,621
Final in year revenue resource limit for the year	1,301,108	13,513	1,314,621
Surplus/(deficit) in year	(47)	47	0





Capital resource is made available for long-term spend such as new buildings, equipment, and technology. We have been directly allocated capital resource of £116,000 for Corporate Information Technology and have met our statutory duty to not exceed this resource for 2023/24, as demonstrated in the table below.

Analysis of Financial Performance 1 April 2023 to 31 March 2024	Total Capital Resource £'000
Total net capital cost for the financial year	116
Final in year capital resource limit for the year	116
Surplus/(deficit) in year	0

Our joint capital resource plan can be found here: <https://nhssomerset.nhs.uk/wp-content/uploads/sites/2/23-24-Joint-capital-resource-use-plan-Guidance-Template-Final-published.pdf>

Running Costs

NHS Somerset ICB was funded a total of £13.513 million for the period 1 April 2023 to 31 March 2024 to support headquarters and administration costs. This included:

- funds totalling £1.693m transferred from NHS England in relation to staffing and administration costs associated with the South West Collaborative Commissioning Hub. This function has been hosted by NHS Somerset ICB since 1 July 2023
- additional funding of £0.887 million released in-year to support an increase in employers' pension contributions.

Total expenditure recorded against running costs for the period 1 April 2023 to 31 March 2024 was £13.466 million, ensuring that NHS Somerset ICB delivered against its financial duty to ensure that revenue administration resource use does not exceed the amount specified in Directions.

To facilitate the effective running of our organisation, we continue to review those functions which we provide in-house and those which are provided by South, Central and West Commissioning Support Unit (SCW CSU). The services commissioned via the SCW CSU cover business intelligence support, information technology and information governance support, procurement services support, care navigation services, GP IT services, and additional consultancy and project support.

Financial Governance

NHS Somerset ICB's Finance Committee and Board receive regular reports on the financial performance of the ICB and the wider Somerset health system, which provide assurance and evidence of financial performance. Other reports include risk register reviews, financial plans and ad-hoc reports and information as required. We submit monthly and quarterly information to NHS England as part of the assurance process.





The Finance Committee meets monthly to review the financial position and identify mitigating actions to ensure we strive to deliver to our financial targets.

We have an established Audit Committee whose role is centred on ensuring the adequacy and effectiveness of the organisation's overall internal control systems. The Audit Committee is an assurance committee of the ICB Board and comprises three non-executive members. Grahame Paine chairs the ICB Audit Committee. Four meetings were held between 1 April 2023 and 31 March 2024, and considered: governance, risk management and internal control, internal audit, external audit, counter fraud and other assurance functions.

Through the work of the Audit Committee, the ICB Board has been assured that effective internal control arrangements are in place.

NHS Somerset ICB's annual accounts for the reporting period 1 April 2023 to 31 March 2024 are included in Appendix 1 of this report. They describe how we have used our resources to deliver health services to residents of Somerset. An explanation of the key financial terms can be found as an appendix at the end of the annual accounts.

A full copy of the audited accounts is available upon request, without charge, from:

Alison Henly
Chief Finance Officer and Director of Performance and Contracting
Wynford House
Lufton Way
Yeovil
Somerset
BA22 8HR

E-mail: alison.henly@nhs.net

Alternatively, the full document can be viewed on our website at:
www.nhssomerset.nhs.uk

Cash Flow

NHS Somerset ICB's cash position is reported monthly to the Finance Committee. Detailed monthly cash flow monitoring and forecasting is in place with NHS England.

Better Payment Practice Code

We are required to pay our non-NHS and NHS trade payables in accordance with the Confederation of British Industry (CBI) Better Payment Practice Code. The target is to pay non-NHS and NHS trade payables within 30 days of receipt of goods or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier.





Our performance for the period 1 April 2023 to 31 March 2024 is summarised below:

Measure of compliance	1 April 2023 to 31 March 2024 Number	1 April 2023 to 31 March 2024 £000
Non-NHS Payables		
Total Non-NHS Trade invoices paid in the Year	20,757	347,770
Total Non-NHS Trade Invoices paid within target	20,750	347,458
Percentage of Non-NHS Trade invoices paid within target	99.97%	99.91%
NHS Payables		
Total NHS Trade Invoices Paid in the Year	837	893,150
Total NHS Trade Invoices Paid within target	837	893,150
Percentage of NHS Trade Invoices paid within target	100.00%	100.00%

NHS Somerset ICB achieved the required 95% target to pay NHS and Non-NHS trade payables within 30 days (unless other terms had been agreed).

Contingent Liabilities

A contingent liability is a possible obligation depending on whether some uncertain future event occurs or a present obligation where payment is not probable, or the amount cannot be measured reliably.

We have a contingent liability for the period 1 April 2023 to 31 March 2024 relating to continuing healthcare (CHC) cases - to reflect a risk associated with the provisions estimate made for pending CHC eligibility assessments and appeals. The financial value of this contingent liability is not considered to be material.

Services

The anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is important evidence of going concern. We are not aware of any plans that would fundamentally affect the services provided to an extent that the organisation would not continue to be a going concern.

Accounting Policies

Full details of the accounting policies used to prepare the accounts and summary financial statements can be found within Note 1 of the ICB's audited accounts (see Appendix 1).





ICB Board Members

Full details of the remuneration paid to Board members and senior employees are provided within the [senior manager remuneration](#) section of the remuneration and staff report, together with their pension entitlements and declarations of interest.

External Audit

Grant Thornton UK LLP is the appointed external auditor for NHS Somerset ICB. The total fees payable to Grant Thornton UK LLP by the ICB for 2023/24 were;

- £228,270 including VAT to cover the cost of the statutory audit, value for money audit requirements and associated services for the ICB
- £42,000 including VAT to cover the cost of assurance work carried out on the Mental Health Investment Standard (MHIS) compliance statement for 2022/23.

Governance Statement

The Chief Executive, as Accountable Officer, publishes an annual governance statement, confirming the systems for managing risk within NHS Somerset ICB. This statement is supported by the Head of Internal Audit who provides an opinion on the overall arrangement for gaining assurance through the Assurance Framework and on the effectiveness of the controls in place to mitigate risks.

A copy of the full governance statement can be found [here](#).

Operational Financial Planning 2024/25

The NHS financial arrangements for 2024/25 will continue to support a system-based approach to planning and delivery, with Integrated Care Systems (ICSs) in the second year of the previously announced two-year revenue allocations spanning 2023/24 and 2024/25, although 2024/25 allocations have been updated for base growth to reflect additional pressures since the original 2024/25 allocations were published in January 2023. ICBs will continue to receive Service Development Funding (SDF) allocations to support the delivery of the national objectives set out in this guidance. The SDF for 2024/25 will continue to be bundled into high-level groupings.

The core ICB capital allocations for 2024/25 had already been published and remain the foundation of capital planning for future years. ICBs and NHS primary and secondary care providers are expected to work together to plan and deliver a balanced net system financial position in collaboration with other ICS partners. It is in this context that systems have been asked to focus on the following priorities for 2024/25.

The overall priority in 2024/25 remains the recovery of our core services and productivity following the Covid-19 pandemic. To improve patient outcomes and experience we must continue to:





- maintain our collective focus on the overall quality and safety of our services, particularly maternity and neonatal services, and reduce inequalities in line with the Core20PLUS5 approach
- improve ambulance response and A&E waiting times by supporting admissions avoidance and hospital discharge, and maintaining the increased acute bed and ambulance service capacity that systems and individual providers committed to put in place for the final quarter of 2023/24
- reduce elective long waits and improve performance against the core cancer and diagnostic standards
- make it easier for people to access community and primary care services, particularly general practice and dentistry
- improve access to mental health services so that more people of all ages receive the treatment they need
- improve staff experience, retention and attendance.

The 2024/25 financial framework has continued with population-based funding with a move back to system fair shares allocations via convergence adjustments. Systems are expected to:

- deliver a balanced net system financial position for 2024/25
- work together to develop impact assured plans that meet the minimum 2.2% efficiency target and raise productivity to levels that will deliver on the objectives set out in this guidance within allocated resources
- improve operational and clinical productivity, making full use of the opportunities highlighted through GIRFT, The Model Health System and other benchmarking and best practice guidance
- improve workforce productivity and reduce agency spend to a maximum of 3.2% of the total pay bill across 2024/25
- release efficiency savings through reducing variation, optimising medicines value and improving the adoption of and compliance with best value frameworks.

As set out in section 223M of the National Health Service Act 2006, each ICB and its partner trusts must exercise their functions with a view to ensuring that, in respect of each financial year:

- local capital resource use does not exceed the limit set by NHS England
- local revenue resource use does not exceed the limit set by NHS England.

Furthermore, under section 223L of the 2006 Act (as amended) NHS England may set financial objectives for ICBs and their partner trusts, and each ICB and its partner trusts have a duty to seek to achieve those objectives. NHS England will set the objective that each ICB, and the partner trusts whose resources are apportioned to it, should deliver a financially balanced system, which may be referred to as a 'duty on breakeven'.

ICBs also have a duty to deliver financial balance individually (section 223GC of the 2006 Act). This is to promote careful financial management and to reflect legislation





that requires NHS England and ICBs to manage within a fixed budget. Additionally, each ICB should ensure it does not exceed the running cost allocation limit, which will be published as part of ICB allocations.

The Somerset health system has submitted a draft operational plan for 2024/25 on 21 March 2024. The draft plan had been presented to the ICB Finance Committee, which had been given delegated permissions from the ICB Board. This draft operational plan submission delivers a £26.3m net system deficit financial position for 2024/25. The final planning submission is due to be submitted on 2 May 2024, following sign off at the ICB Board on 25 April 2024.

Going Concern

Within our accounts, we are required to make a clear disclosure that the individuals responsible for financial governance for NHS Somerset ICB have considered this position, and that given the facts at their disposal, the ICB is a going concern. Where there are material uncertainties in respect of events or conditions that cast significant doubt upon the going concern ability of the ICB, these are disclosed as part of the disclosure notes supporting the annual accounts.

Having considered the going concern guidelines, the financial reporting and governance arrangements of NHS Somerset ICB, approach to the development of operating plans for 2024/25, as set out above, and the continued focus by the ICB and Somerset system partners to drive improvements to the financial position, NHS Somerset ICB considers that it remains a going concern.

The annual accounts of the ICB are prepared on the basis that the organisation is a going concern and that there is no reason why it should not continue operating on the same basis for the foreseeable future.




ANNEX 1 (PERFORMANCE ANALYSIS)

The Somerset ICS Green Plan metrics

Green Plan Ref No.	Performance Target	Key Indicator	Target	Current performance	Previous performance	Direction of travel	Comments
B.4	Employee, and wider stakeholder engagement	T4.1	All ICS members to have an employee engagement plan in place	100% achieved Plan produced and is being implemented	No plan in place prior to appointment of Sustainability Manager	↑	Rolling programme of engagement
B.5	Sustainable healthcare	T5.1	25% of outpatient activity should be delivered remotely.	100% achieved	Pre-pandemic 80% appts. Delivered F2F. Current delivery 50% delivered remotely	↑	Continue to support alternative models of care (digital; social prescribing etc.)
B.5	Sustainable healthcare	T5.2	Every ICS member to reduce its use of desflurane to less than 10% of its total volatile anaesthetic gas use, by volume	100% achieved	The data to support the reduction and cessation is reported through the Greener NHS dashboard	↑	Somerset Foundation Trust has discontinued use of desflurane.
B.5	Sustainable healthcare	T5.3	Somerset ICS will develop a plan to reduce the climate impacts of respiratory medicine.	Plan in development.	Respiratory medicine reduction is tracked and reported through Open Prescribing, and Greener NHS dashboard	↑	Work continues to support medicine optimisation through several initiatives
B.7	Estates and Facilities	T7.1	The carbon footprint of the NHS estate in Somerset will be net zero by 2040 with a minimum 80% reduction in carbon emissions by 2030.	Estates Strategy in development	Carbon calculations reported through Greener NHS dashboard for Trust estate	↑	Wider programmes of work supporting Primary Care estate currently in progress.
B.7	Estates and Facilities	T7.2	All members to sign up to a REGO-certified renewable energy tariff.	In development to switch to renewable energy tariff	Previous non-compliance	↑	Contractual
B.7	Estates and Facilities	T7.3	All new builds to be built to net zero carbon and/or achieve BREEAM outstanding.	Standard now included in Estates strategy.	Under the Environment Act 2021, all planning permissions granted in England will have to deliver at least 10% biodiversity net gain from 12 February 2024.	↑	New standards being embedded through the Estates strategy.



B.7	Estates and Facilities	T7.4	ICS Members will strive to achieve zero waste to landfill for non-clinical waste.	Embedded across most of the ICS. More focus required around targeted areas.	Waste practices across primary care sites are not all compliant		Targeted programme of work being developed through Steering Group
B.7	Estates and Facilities	T7.5	There will be access to a nature/biodiversity area at every significant site in Somerset by 2025.	Plan in development.	Previous non-compliance		Work continues across ICS to align strategies
B.8	Travel and Transport	T8.1	The carbon footprint of NHS-related transport will be net zero by 2040 with a minimum 80% reduction in carbon emissions by 2030.	Plan in development.	Previous non-compliance		Work continues across ICS to align strategies
B.8	Travel and Transport	T8.2	Every ICS member to develop a green travel plan.	Plan in development.	Previous non-compliance		Work continues across ICS to align strategies
B.8	Travel and Transport	T8.3	For new purchases and lease arrangements, the ICS and Trusts solely purchase and lease ULEV or ZEV cars.	Compliant on all new purchases and lease arrangements	Previous non-compliance		This objective is reported quarterly through the Greener NHS dashboard
B.9	Supply Chain	T9.1	The carbon footprint of the ICS supply chain will be net zero.	Compliant with Net Zero Supplier Road Map, and PPN06/21	Previous non-compliance		Carbon Reduction Plan requested in line with PPN06/21.
B.9	Supply Chain	T9.2	All members to have embedded sustainability into their procurement processes.	100% compliant	Previous non-compliance		Net Zero Commitment requested on all procurements over PCR threshold from 01 April 2024

Key Red <84%
Amber 85-94%
Green 95%+





ACCOUNTABILITY REPORT

JONATHAN HIGMAN
Accountable Officer
NHS Somerset Integrated Care Board

27 June 2024





The **Accountability Report** describes how we meet key accountability requirements and embody best practice to comply with corporate governance norms and regulations. It comprises three sections:

- the **Corporate Governance Report** sets out how we have governed the organisation during the period 1 April 2023 to 31 March 2024 including membership and organisation of our governance structures and how they supported the achievement of our objectives
- the **Remuneration and Staff Report** describes our remuneration policies for executive and non-executive directors, including salary and pension liability information. It also provides further information on our workforce, remuneration and staff policies
- the **Parliamentary Accountability and Audit Report** brings together key information to support accountability, including a summary of fees and charges, remote contingent liabilities, and an audit report and certificate.

Corporate Governance Report

Leadership Report

Member profiles/Composition of Board and Committees

The membership of NHS Somerset ICB Board and leadership team is set out in the table below detailing names, roles and membership of the key committees within NHS Somerset ICB. A detailed breakdown of attendance at each of the committees is provided in [Annex 1 to the Annual Governance Statement](#).



Breakdown of NHS Somerset ICB Senior Leaders and their roles in the ICB governance structure as at 31 March 2024

Role	Name	ICB Assurance and Internal Executive Committee Membership						
		Board	Leadership Committee	Audit Committee	Remuneration Committee	Quality Committee	Primary Care Commissioning Committee	Finance Committee
M(V) = (Voting) Member A = Attendee, (P) = (Non-Voting) Participant M(NV) = (Non-Voting) Member								
ICB Executive Leadership								
Chief Executive	Jonathan Higman	M(V)	M(V)					M(V)
Chief Finance Officer and Director of Performance and Contracting	Alison Henly	M(V)	M(V)	A			M(V)	M(V)
Chief Nursing Officer/Chief Operating Officer	Shelagh Meldrum	M(V)	M(V)			M(V)	M(V)	M(NV)
Chief Medical Officer	Dr Bernie Marden	M(V)	M(V)			M(V)	M(V)	M(NV)
Executive Director of Communications, Engagement and Marketing	Charlotte Callen	P	M(V)					
Executive Director of Corporate Affairs	Jade Renville	P	M(V)					
Chief People Officer	Dr Victoria Downing-Burn	P	M(V)					
Chief Officer for Strategy, Digital and Integration	David McClay	P	M(V)					
Executive Director of Public and Population Health, Somerset Council & NHS Somerset	Professor Trudi Grant	M(V)	M(V)					
Non-Executive Members								
Chair	Paul von der Heyde	M(V)			M(V)			M(V)
Non-Executive Director and Deputy Chair	Grahame Paine	M(V)		M(V)	M(V)	M(V)		M(V)
Non-Executive Director	Dr Caroline Gamlin	M(V)		M(V)	M(V)	M(V)	M(V)	
Non-Executive Director	Suresh Ariaratnam	M(V)			M(V)	M(V)	M(V)	
Non-Executive Director	Christopher Foster	M(V)		M(V)	M(V)		M(V)	M(V)
Partner Members								
NHS and Foundation Trusts	Peter Lewis	M(V)						
Local Authority	Duncan Sharkey	M(V)						
Primary Medical Services	Dr Berge Balian	M(V)					M(NV)	
Participants								
Healthwatch	Judtih Goodchild	P					P	
VCFSE sector	Katherine Nolan	P						



Role	Name	ICS System Group Membership (hosted by the ICB Board)			
		M(V) = (Voting) Member A = Attendee, (P) = (Non-Voting) Participant M(NV) = (Non-Voting) Member			
		Somerset People Board	Somerset Assurance Forum (SAF)	Somerset System Quality Group	Population Health Transformation Board
ICB Executive Leadership					
Chief Executive	Jonathan Higman	M(V)	M(V)		
Chief Finance Officer and Director of Performance and Contracting	Alison Henly		M(V)		M(V)
Chief Nursing Officer/Chief Operating Officer	Shelagh Meldrum		M(V)	M(V)	M(V)
Chief Medical Officer	Dr Bernie Marden		M(V)	M(V)	M(V)
Executive Director of Communications, Engagement and Marketing	Charlotte Callen				M(V)
Executive Director of Corporate Affairs	Jade Renville				M(V)
Chief People Officer	Victoria Downing-Burn	M(V)	M(V)		M(V)
Chief Officer for Strategy, Digital and Integration	David McClay	M(NV)	M(V)		M(V)
Executive Director of Public and Population Health, Somerset Council & NHS Somerset	Professor Trudi Grant		M(V)		M(V)
Non-Executive Leadership					
Chair	Paul von der Heyde				
Non-Executive Director and Deputy Chair	Grahame Paine		M(V)		
Non-Executive Director	Dr Caroline Gamlin				
Non-Executive Director	Suresh Ariaratnam	M(V)			
Non-Executive Director	Christopher Foster	M(V)			
Partner Members					
NHS and Foundation Trusts	Peter Lewis	M(V)	M(V)		
Local Authority	Duncan Sharkey	M(V)	M(V)		
Primary Medical Services	Dr Berge Balian				
Participants					
Healthwatch	Judith Goodchild				
VCFSE sector	Katherine Nolan	M(V)			M(V)





The key roles undertaken by NHS Somerset ICB Board non-executive leadership, as at 31 March 2024, are set out in the table below:

Name	Board Appointment	Board Lead Roles
Paul von der Heyde	Chair	Board Chair
Grahame Paine	Non-Executive Director and Deputy Chair	Deputy Chair Audit Committee Chair
Dr Caroline Gamlin	Non-Executive Director	Quality Committee Chair
Suresh Ariaratnam	Non-Executive Director	Primary Care Commissioning Committee Chair
Christopher Foster	Non-Executive Director	Remuneration Committee Chair Finance Committee Chair People Board Chair

Register of Interests

Our ICB register of interests, which includes details of company directorships and other significant interests held by senior ICB leaders, is available on our NHS Somerset ICB website at: [Lists and Registers - NHS Somerset](#).

Personal data related incidents

NHS Somerset ICB recorded no Serious Untoward Incidents relating to data security breaches which met the threshold to be reported to the Information Commissioner during 2023/24.

Modern Slavery Act

NHS Somerset ICB fully supports the Government's objectives to eradicate modern slavery and human trafficking. Our Slavery and Human Trafficking Statement for the period ending 31 March 2024 is published on our website at [Modern Day Slavery and Human Trafficking Statement - NHS Somerset ICB](#)





Statement of Accountable Officer's Responsibilities

Under the National Health Service Act 2006 (as amended), NHS England has directed each Integrated Care Board (ICB) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the NHS Somerset ICB and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accountable Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The National Health Service Act 2006 (as amended) states that each Integrated Care Board shall have an Accountable Officer and that Officer shall be appointed by NHS England.

NHS England has appointed the Chief Executive to be the Accountable Officer of NHS Somerset ICB. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper accounting records (which disclose with reasonable accuracy at any time the financial position of the Integrated Care Board and enable them to ensure that the accounts comply with the requirements of the Accounts Direction), and for safeguarding the NHS Somerset ICB's assets (and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities), are set out in the Accountable Officer Appointment Letter, the National Health Service Act 2006 (as amended), and Managing Public Money published by the Treasury.





As the Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that NHS Somerset ICB's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Jonathan Higman
Accountable Officer
NHS Somerset Integrated Care Board

27 June 2024





Governance Statement

Introduction and Context

NHS Somerset ICB (ICB) is a body corporate established by NHS England on 1 July 2022 under the National Health Service Act 2006 (as amended). NHS Somerset ICB's statutory functions are set out under the National Health Service Act 2006 (as amended).

The ICB's general function is arranging the provision of services for persons for the purposes of the health service in England. The ICB is, is required to arrange for the provision of certain health services to such extent as it considers necessary to meet the reasonable requirements of its population.

Between 1 April 2023 and 31 March 2024 NHS Somerset ICB was not subject to any directions from NHS England issued under Section 14Z61 of the of the National Health Service Act 2006 (as amended).

Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Somerset ICB's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I also acknowledge my responsibilities as set out under the National Health Service Act 2006 (as amended) and in the NHS Somerset ICB's Accountable Officer Appointment Letter.

I am responsible for ensuring that the NHS Somerset ICB is administered prudently and economically and that resources are applied efficiently and effectively, safeguarding financial propriety and regularity. I also have responsibility for reviewing the effectiveness of the system of internal control within the ICB as set out in this governance statement.

Governance Arrangements and Effectiveness

The main function of NHS Somerset ICB Board is to ensure that the group has made appropriate arrangements for ensuring that it exercises its functions effectively, efficiently and economically, and complies with such generally accepted principles of good governance as are relevant to it.

The organisational landscape in Somerset is of low complexity when compared to other systems: [NHS Somerset ICB](#), one unitary [Somerset Council](#) and one statutory NHS Foundation Trust, [Somerset NHS Foundation Trust](#). There are 62 GP practices within 13 primary care networks (PCNs), and a Memorandum of Understanding with the voluntary, community, faith and social enterprise (VCFSE) sector. [South Western](#)





[Ambulance Service NHS Foundation Trust](#) provides ambulance services to Somerset as well as eight other ICB areas in the South West.

NHS Somerset ICB has established a properly constituted Board with the appropriate clinical, professional, executive and non-executive skill-mix. Details of the membership and the attendance of those members are set out in [Annex 1 to the Governance Statement](#).

Our organisational structure and accountabilities are clear and well defined. Where capacity and/or capability gaps have been identified, actions are put in place with expected outcomes and timescales. NHS Somerset ICB clearly articulates its values to stakeholders through our Health and Care Strategy, joint forward plan, operating model and associated strategies and plans. The organisational development plan includes undertaking a staff survey, implementing an organisational development programme and developing actions to address issues for development.

The following assurance and statutory committees have been established by the Board, chaired by a non-executive director:

- Audit Committee
- Remuneration Committee
- Primary Care Commissioning Committee
- Quality Committee
- Finance Committee.





The remit of each Committee is as follows:

COMMITTEES - KEY ROLES AND RESPONSIBILITIES	
Audit Committee	
Non-Executive Chair: Grahame Paine Executive Lead: Alison Henly	
<p>To contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board on the adequacy of governance, risk management and internal control processes within the ICB. The duties of the Committee will be driven by the organisation's objectives and the associated risks.</p> <p>To provide assurance to the ICB Board about the appropriateness and effectiveness of the ICB's risk assurance framework and of the processes for its implementation.</p> <p>To assure the Board on the appropriateness and effectiveness of the external audit, internal audit and counter fraud services, its fees, findings and co-ordination with audit providers. This will include overseeing the procurement for external, internal and counter fraud service provision.</p>	
Remuneration Committee	
Non-Executive Chair: Christopher Foster (executive leads only attend upon invitation)	
<p>For the Chief Executive, directors and other Very Senior Managers:</p> <ul style="list-style-type: none"> Determine all aspects of remuneration including but not limited to salary, (including any performance-related elements) bonuses, pensions and cars. Determine arrangements for termination of employment and other contractual terms and non-contractual terms. <p>For all staff:</p> <ul style="list-style-type: none"> Determine the ICB pay policy (including the adoption of pay frameworks such as Agenda for Change). Oversee contractual arrangements. Determine the arrangements for termination payments and any special payments following scrutiny of their proper calculation and taking account of such national guidance as appropriate. 	
Primary Care Commissioning Committee	
Non-Executive Chair: Suresh Ariaratnam Executive Lead: Bernie Marden	
<p>To carry out the functions relating to the commissioning of primary medical services in Somerset, securing the provision of comprehensive and high quality primary medical services, making recommendations to the Board as appropriate. Since July 2023, the committee has now been fully delegated the commissioning responsibility for the provision of pharmaceutical, ophthalmic, and dental services from NHSE.</p> <p>The Committee is responsible for leading the development and implementation of the Primary Care Strategy, making recommendations for its approval to the Integrated Care Board.</p>	





Finance Committee

Non-Executive Chair: Christopher Foster

Executive Lead: Alison Henly

To provide assurance to the Board about the ICB's finance, as part of the overall Somerset system finances. The Committee will look at the overall position of Somerset system financial performance. It holds to account the ICB executive team for delivery of the ICB's financial plan and recommend further areas for financial scrutiny. This will be done through:

- Reviewing the financial performance of the ICB against statutory financial targets, financial control targets and the annual commissioning plan.
- Reviewing the ICB's financial position and improving value schemes (QIPP) agenda and providing assurance to the Board relating to delivery against annual plans.
- Reviewing financial performance improvement plans.
- Supporting the development and onward monitoring of the overall process of financial planning across the system.

Quality Committee

Non-Executive Chair: Dr Caroline Gamlin

Executive Lead: Shelagh Meldrum

To provide the ICB with assurance that it is delivering its functions in a way that secures continuous improvement in the quality of services, against each of the dimensions of quality set out in the Shared Commitment to Quality. This includes reducing inequalities in the quality of care. The Committee exists to scrutinise the robustness, and gain and provide assurance to the ICB, of an effective system of quality governance and internal control that supports it to effectively deliver its strategic objectives and provide sustainable, high-quality care. With regard to patient safety and quality improvement, the Committee will:

- Promote a culture within the Somerset Integrated Care System that focuses on patient safety, patient experience, safeguarding and quality improvement.
- Provide assurance on all NHS Provider service governance arrangements, and patient safety performance, through receiving exception reports on quality and safety issues, patient experience and safeguarding concerns, and alerts for health services.

The Committee will provide regular assurance updates to the ICB in relation to activities and items within its remit.





NHS Somerset ICB's performance of effectiveness and capability is subject to continuous assessment including regular checkpoint assessments with NHS England.

The internal audit work programme has been reviewed via the Audit Committee and supports our review of internal control processes such as risk management procedures, conflicts of interest and hospitality reporting procedures, data security and business continuity. The audit programme, together with the subsequent work to improve systems where appropriate, and scrutiny by our committees, supports my assurance that we have a sound system of governance and internal control in place.

UK Corporate Governance Code

NHS Bodies are not required to comply with the UK Code of Corporate Governance and therefore, NHS Somerset ICB is not required to comply with the UK Code of Corporate Governance. However, we have reported on our corporate governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the ICB. For the financial year ended 31 March 2024, and up to the date of signing this statement, we complied with the provisions set out in the Code and applied the principles of the Code.

Discharge of Statutory Functions

NHS Somerset ICB has reviewed all of the statutory duties and powers conferred on it by the National Health Service Act 2006 (as amended) and other associated legislation and regulations. As a result, I can confirm that the ICB is clear about the legislative requirements associated with each of the statutory functions for which it is responsible, including any restrictions on delegation of those functions.

Responsibility for each duty and power has been clearly allocated to a lead Director. Directorates have confirmed that their structures provide the necessary capability and capacity to undertake all of the ICB's statutory duties, this has been further strengthened by restructuring the organisation to meet our new Operating Model.

Risk Management Arrangements and Effectiveness

There is a clear commitment to corporate governance across NHS Somerset ICB and risk management is applied throughout the organisation. Risk assessments and equality impact assessments are embedded into our decision making, service changes, and assurance processes, including through cover sheets for recommendations and reports to committees and the Board.

The NHS Somerset ICB Risk Management Strategy and Policy sets out the arrangements for risk management across the ICB. This policy supports the adoption of a positive risk management culture, where individuals are encouraged to manage risk to ensure the ICB and the services it commissions are mitigated against possible events that may have an adverse impact on the organisation's objectives. The policy also defines:





- responsibilities for forums within NHS Somerset ICB governance structure and roles within the ICB
- definitions and terminology
- the risk management process
- monitoring
- compliance.

During the year, working with stakeholders, we have developed a system-orientated board assurance framework which from 2024/25 will provide the Board with strengthened visibility of the risks we face to meeting our strategic objectives.

As part of its Risk Management Strategy, NHS Somerset ICB recognises the benefit of setting and maintaining a 'risk appetite'. Risk appetite is the amount and type of risk that an organisation is prepared to pursue, retain or take, against an optimal and tolerable risk position. During the year we undertook engagement with our Board and committees to set a shared view of our risk appetite which will be used to populate our risk registers and system board assurance framework and will become a decision-making and assurance framework to utilise in pursuit of our strategic aims and objectives and risk assurance processes. This will be kept under regular review.

Capacity to Handle Risk

We utilise risk capability and risk capacity to determine our capacity to handle risk.

We are committed to maintaining high risk capability, i.e. the knowledge and leadership competencies of individuals or a collective group to maximise their ability to comply with and deliver our Risk Management Strategy and Policy. We are also committed to supporting the successful achievement of high-risk capability. Anyone who has contractual employment within NHS Somerset ICB undertakes risk management training relevant to their role, in addition to an overview as part of the ICB induction training programme. The corporate affairs team provides overall risk management support. This has supported the upskilling of teams to effectively manage risk.

Our risk capacity is calculated through the resources: financial, human, equipment and estate, required i.e. the risk exposure the ICB "must" take in order to reach an aim/objective, and resources available to manage materialised and non-materialised risk. NHS Somerset ICB's risk capacity is reported, managed and monitored by NHS Somerset ICB's statutory and non-statutory forums.

Risk Assessment

NHS Somerset ICB has statutory obligations to ensure that risks arising from its undertaking are assessed through a standard risk assessment process as detailed within the ICB Risk Management Strategy.





We perform assessment of risk to evidence the controls attributed to the risk, the control ownership and the measure of the control performance. The risk assessment also evidences the rationale for uncontrolled, target or current risk rating scores in addition to the risk rationale to substantiate acceptable/non-acceptable decisions. As part of the risk assessment process, risk plans are created to address any gaps in controls or assurance in addition to any tasks required to continue to deliver the controls and/or assurance to an effective level. We have also encompassed an approval of the risk assessment by the risk owner as part of this process.

An overview of the key risks and the profile over the year and key actions can be found in the [Overview of NHS Somerset Risks](#).

Other sources of assurance

Internal Control Framework

We have a strong system of internal control with processes and procedures to ensure the ICB delivers its policies, aims and objectives. It is designed to identify and prioritise the risks, to evaluate the likelihood of those risks being realised, and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control allows risk to be managed to a reasonable level rather than eliminating all risk, therefore only providing reasonable and not absolute assurance of effectiveness.

To strengthen internal control and to ensure the effectiveness of risk management, the ICB has encompassed the 'three lines of defence' model, being:

- first line of defence: The ICB implemented a Leadership Committee, chaired by the ICB Chief Executive and membership of directors and senior managers which includes internal risk scrutiny within its terms of reference
- second line of defence: ICB statutory and non-statutory committees that specialise in risk management for clinical and/non-clinical functions in the overseeing and monitoring of risk and/or compliance
- third line of defence: The ICB Audit Committee and Board, internal and external audit providers, and external assurance providers.

All reports presented to the ICB Board include identified risks. All strategic documents are reviewed to ensure risks to delivery are considered.

The effectiveness of our governance structure is subject to review and best practice learning. We established our committee structure at its inaugural meeting on 1 July 2022 and the membership and terms of reference have been subject to review, to ensure it was relevant and providing a sound system of internal governance for the organisation.





During 2023/24, the ICB Board has continued to oversee and monitor the delivery of the Somerset ICS Health and Care strategic aims and is currently developing a range of outcome measures for greater scrutiny and oversight.

Attendance at the Board is recorded in the minutes and full membership of the Board has been present at the majority of the Board meetings and seminars during 2022/23.

Regular reports are presented to the Board on ICB business and include:

- strategic planning
- financial management
- patient safety and quality of clinical care
- Care Quality Commission inspection reports
- organisational development
- performance management and the achievement of national and local NHS targets
- patient engagement
- stakeholder engagement
- emergency planning
- Compliance with the NHS constitution
- identified risks and actions to address or mitigate the risks.

The Board's performance, effectiveness and capability is subject to continuous assessment. NHS Somerset ICB meets regularly with NHS England to provide assurance and the Chief Executive has had regular meetings with the NHS England Regional Director. We have also recently carried out a self-assessment of our governance which we are currently working through the outcomes.

Annual Audit of Conflicts of Interest Management

Statutory guidance on managing conflicts of interest in the NHS (published February 2017) requires an annual internal audit of conflicts of interest management. To support this task, NHS England published a template audit framework.

An annual audit was carried out by NHS Somerset's ICB's internal auditors in January and February 2024 which provided a moderate level of assurance for both the design and operational effectiveness of the ICB's systems for managing conflicts of interest.

While the Health and Care Act 2022 places responsibility on ICBs to manage conflicts of interest and publish their own policy, NHS England's has recognised nationally-commissioned basic training is of value to avoid unnecessary duplication across systems. NHS England is in the process of providing updated national e-learning modules on managing conflicts of interest in the context of the new ICB arrangements. Module 1 has been released and will also be releasing additional guidance on conflicts of interest in the near future.





Data Security

The UK is subject to the UK General Data Protection Regulation and UK Data Protection Act 2018 following the completion of the exit from the EU on 1 January 2021. Any information breaches are assessed and, where appropriate, reported through the data security and protection (DSP) toolkit, as set out in the NHS Digital guidance document, 'guide to the notification of data security and protection incidents'. The Security of Network and Information Systems (NIS) Directive also requires reporting relevant incidents to the Department of Health and Social Care. As there is no link between the DSP toolkit and the strategic executive information system (STEIS), DSP toolkit reportable incidents also need to be reported on STEIS. NHS Somerset ICB had no incidents which met the DSP Toolkit reporting threshold during 2022/23.

Data Quality

NHS Somerset ICB recognises the fundamental importance of reliable information and meets its responsibility in ensuring that good quality data is collated and appropriately used. All decisions, need to be based on information which is of the highest quality. During the financial year we have continued to focus upon data quality in conjunction with our principal business analytics partner, South Central and West Commissioning Support Unit (SCW CSU). The data used by the Board and delegated committees is obtained through various sources, the majority of which are national systems and official NHS data sets. The provider data is quality assured through contract and performance monitoring and against the Secondary User Service (SUS).

There is collaborative agreement across the ICS that data collected is appropriately sought and recorded, complete, accurate, timely and accessible, and that appropriate mechanisms are in place to support service delivery and continuity. Any identified data quality issues are addressed and resolved through the operational or contractual routes to ensure the accuracy of the performance reports provided to the ICB Board and its delegated Committees and the Somerset System Assurance Forum (SAF).

Information Governance

The NHS Information Governance Framework sets the processes and procedures by which the NHS handles information about patients and employees, in particular personal identifiable information. The Framework is supported by DSP toolkit and the annual submission process provides assurances to the ICB, other organisations and to individuals that personal information is dealt with legally, securely, efficiently and effectively. During 2023/24 NHS Somerset ICB achieved Standards Met for the 2022/23 Data Security and Protection Toolkit (version 5).

We place high importance on ensuring there are robust information governance systems and processes in place to help protect patient and corporate information. We have established an information governance management framework and have information governance processes and procedures in place in line with the data security and protection toolkit. We have an approved information governance training plan and





ensure all staff undertake annual information governance training and have implemented a staff information governance handbook to ensure staff are aware of their information governance roles and responsibilities.

There are processes in place for incident reporting and investigation of serious incidents. As part of our wider risk management arrangements, we manage a number of data security and protection risks. We have an approach of continuous improvement to champion and embed a positive information risk culture throughout the organisation. We have a network of Information Asset Owners and Administrators supported by our Information Governance team and overseen by our Senior Information Risk Owner (SIRO) to support delivery.

Business Critical Models

Within NHS Somerset ICB there is an appropriate framework and environment in place to provide quality assurance of business-critical models, in line with the recommendations of the 2013 MacPherson review into the quality assurance of such models.

Third party assurances

NHS Somerset ICB contracts with a range of third-party providers in order to deliver healthcare services to the population of Somerset and to support the corporate functions of the ICB, for example, through SCW CSU and external payroll services: further details can be found in the [Delegation of Functions](#) section.

An assessment of control issues associated with third party providers is detailed below. No further control weaknesses have been identified.

Control Issues

The NHS Somerset ICB Board and its committees retain oversight of all risks, including those deemed to be systematic, and are responsible for ensuring that relevant mitigating actions are undertaken. No significant internal control failures have been identified throughout the financial year 2023/24. However, Internal Audit have identified a number of recommendations for improvement, particularly regarding strategic focus and the availability of a Board Assurance Framework (BAF). Further details of these audit recommendations are provided within the Internal Audit Opinion section on page 79.

Review of economy, efficiency and effectiveness of the use of resources

NHS Somerset ICB has a scheme of delegation which ensures that financial controls are in place across the organisation.

The Audit Committee is responsible for seeking assurance and overseeing internal and external audit and counter fraud services, reviewing financial and information systems





and monitoring the integrity of the financial statements, and reviewing significant financial reporting judgements. The Committee reviews the system of governance, risk management and internal control, across the whole of the ICB's activities.

The Audit Committee supports the view that fraud against the NHS will not be tolerated. All genuine suspicions of fraud are investigated and if proven, the strongest sanctions are sought against the perpetrators.

NHS Somerset ICB has a Whistleblowing Policy and has adopted the National Freedom to Speak Up Policy reporting processes which are well publicised to staff, alongside a Freedom to Speak Up guardian and three Freedom To Speak Up Champions to support speaking up and colleague wellbeing. NHS Somerset ICB is confident these processes are effective. Seven cases have been reported in 2023/2024, all managed and supported without the need to proceed to a formal HR process.

In 2023/24 efficiency savings were delivered in-year in relation to Continuing Healthcare Services (CHC), GP prescribing and ICB running costs. Through ICS meetings, local leaders continue to discuss quality, innovation and prevention programme/cost Improvement Programme (QIPP/CIP) assumptions to inform future planning decisions and ensure that a robust peer challenge is in place across Somerset using benchmarking information, which also confirm that clear assumptions and monitoring are in place to ensure no double-counting across organisations.

NHS Somerset ICB looks at all opportunities for cost savings through demand management schemes and agree these with system partners.

To support this, our Finance Committee, which looks at the financial position, ensure a framework for contract reviews to happen in a timely manner and identify and ensure delivery of QIPP/CIP across the range of services commissioned. This Committee meets monthly and has an active work programme.

As part of the developing and continued working towards a single system of finance, activity and workforce, the individual operational and financial, workforce and performance plans of the Somerset health partners are developed, cross-checked and triangulated as one, through established joint working and strengthened governance, as a collective partnership including Somerset Council. This is part of the Somerset system's ongoing open book approach to managing itself, through planning and delivery. This approach continues to be developed to ensure alignment and delivery of the aims for the system as a whole. This forward strategy will build on and refresh the already approved estates programme, capital plans, and digital plans. Future plans will continue to focus on managing demand and reducing cost across the system.

Delegation of Functions

It is implicit through the work of the NHS Somerset ICB Board and its committees that members have responsibility for ensuring appropriate use of resources. Where there are concerns about budget management, these are documented in our risk register.





Through our committee structure, regular reports are received about the performance of contracted service providers. Areas of under and over performance are addressed through contract meetings and reported through finance, performance and quality papers presented to ICB groups and committees.

The Audit Committee monitors the financial stewardship of the organisation and is responsible for scrutinising and signing off the financial accounts.

NHS Somerset ICB commissions support services from the South, Central and West Commissioning Support Unit (SCW CSU), as described [here](#). The contract form provides the framework under which assurance about their performance can be monitored and managed. In addition, to deliver assurance about the procedures operated by all CSUs, NHS England engages a reporting accountant to prepare a report on internal controls. The objective of this is to provide assurance in a cost-effective manner for the NHS, through reducing the duplication which would likely arise from multiple ICB internal and external auditors separately assessing CSU controls. The scope of the Service Auditor Report (SAR) covers payroll, financial ledger, accounts payable, accounts receivable, financial reporting, Treasury and cash management and non-Clinical procurement. Of these services, NHS Somerset ICB only commissions the non-clinical procurement service through the SCW CSU. No control exceptions were identified within the SAR for the non-clinical procurement service for 2023/24.

Type II ISAE 3000/3402 service auditor reports, which assess the state of the control environment for the period 1 April 2023 to 31 March 2024 have been received and reviewed for the following services commissioned in the ICB:

NHS Shared Business Services Limited provide finance and accounting services to NHS Somerset ICB. The 2023/24 SAR presented an opinion that controls tested, relating to delivery of the control objectives, were operated effectively throughout the period 1 April 2023 to 31 March 2024

Capita Primary Care Support England (PCSE) provide administrative and support services as part of the delegated commissioning function for Primary Care Medical services. The 2023/24 SAR presented a qualified opinion for the payments and pensions administration services provided by Capita PCSE, with exceptions identified relating to one out of 15 control objectives during the period. This exception resulted in the non-achievement of the following control objective;

- Controls provide reasonable assurance that logical access by internal Capita staff and GPs to NHAIS and PCSE Online is restricted to authorised individuals.

This is an improvement on the 2022/23 reported position and Capita PCSE continue to work to assure the control measures in place are applied consistently by the operational teams and to address the improvement actions identified.





No significant impacts have been identified as a result of these exceptions in respect of the service provided to the ICB.

NHS Business Services Authority provide and maintain the Electronic Staff Record system (ESR system) and the prescriptions and dental payment processes on behalf of NHS Somerset ICB.

The 2023/24 SAR covering the ESR system presented an opinion that reasonable assurance could be given that the controls tested, relating to delivery of the control objectives, were operated effectively throughout the period 1 April 2023 to 31 March 2024

The 2023/24 SAR covering the prescriptions payment system presented an opinion that reasonable assurance could be given that the controls tested, relating to delivery of the control objectives, were operated effectively throughout the period 1 April 2023 to 31 March 2024.

The 2023/24 SAR covering the dental payment system presented an opinion that reasonable assurance could be given that the controls tested, relating to delivery of the control objectives, were operated effectively throughout the period 1 April 2023 to 31 March 2024.

The Better Care Fund

The Better Care Fund (BCF) was established by the Government to encourage the integration of health and social care and to achieve specific national conditions and local objectives. These relate to supporting people to live as independently as possible in their own homes and avoid unnecessary admissions to hospital, long-term care placements or avoidably long stays in a treatment or care setting.

It was a requirement of the BCF that NHS Somerset ICB and Somerset Council establish a pooled fund for this purpose. This is in place covered by a signed agreement under Section 75 of the National Health Service Act 2006.

The BCF has evolved since its inception and now incorporates three budgetary components:

- the Disabled Facilities Grant
- mandated NHS (ICB) contributions
- the Improved Better Care Fund (contributions via Somerset Council).

Each year, local systems are required to provide a plan and progress reports on the use of the BCF. BCF plans are required to have oversight and sign-off by Health and Wellbeing Boards and this is the case for Somerset.

During 2023/24 the Somerset BCF continued to help drive forward our person-centred integration agenda and the 2023/24 plan secured and stabilised investment in:





- Social prescribing and community-based support.
- Carers support services.
- Core social care services.
- Intermediate care services (including Rapid Response and Home First).
- Adult Social Care Discharge Fund.

Counter Fraud Arrangements

As well as overseeing the anti-fraud, bribery and corruption arrangements in place at providers, NHS Somerset ICB must also ensure that its own counter fraud measures remain robust. We have well-established counter fraud arrangements in order to help us achieve the standards set out by the NHS Counter Fraud Authority (CFA). We engage an Accredited Counter Fraud Specialist to implement an ongoing programme of anti-fraud, bribery and corruption work. During 2023/24 work has involved the delivery of an annual work plan which follows the NHS Counter Fraud Authority standards to ensure our resources are protected from fraud, bribery and corruption, as well as addressing all four key areas of the national counter fraud strategy: namely, strategic governance; inform and involve; prevent and deter; and hold to account.

NHS Somerset ICB's Counter Fraud Strategy and Annual Plan for 2023/24 aligns with the Government Functional Standard GovS013 for Counter Fraud. These have been introduced to ensure a consistent approach across the public sector to protecting services against the risk of fraud, bribery, and corruption. The 2023/24 strategy and work plan was produced taking into account:

- discussions with the Chief Finance Officer and members of the Audit Committee.
- local proactive work, risk measurement exercises and evaluation of previous work conducted by the Local Counter Fraud Specialist (LCFS) and staff within the organisation.
- risks identified from referrals received and investigations conducted at the ICB by the LCFS.
- risks identified at other clients either locally or nationally by the NHS Counter Fraud Authority (NHSCFA).
- any national programme of proactive work by the NHSCFA.
- the NHSCFA's strategic aims, including implementation of the Functional Standards and increasing engagement with NHS organisations.

The Counter Fraud service is provided by BDO LLP, which includes a local accredited Counter Fraud Specialist who ensures that the annual work plan is delivered. Regular progress reports are provided at each Audit Committee meeting detailing progress against the work plan and highlighting any emerging fraud risks or allegations as they arise. In addition, an annual report is produced showing an assessment against the functional standards, including any actions which need to be taken to ensure the standards are achieved.





The LCFS has developed key relationships with the key ICB teams/directorates. These relationships, coupled with the significant work done by the LCFS to develop an anti-fraud culture, provides the foundation to enable good quality referrals being made to the LCFS and National Counter Fraud Specialist (NCFS), if needed. This in turn has resulted in a good proportion of cases concluding in civil, criminal and/or disciplinary sanctions.

The LCFS shares briefings with all staff through the ICB staff bulletin, '60 seconds', which covers key areas of learning from within the sector. The 2023/24 Counter Fraud Strategy and Annual Plan was developed to support NHS Somerset ICB in implementing appropriate measures to counter fraud, bribery and corruption. Having appropriate measures in place helps to protect NHS resources against fraud and ensures they are used for their intended purpose, the delivery of patient care.

The overall Executive Lead for counter fraud is Alison Henly, Chief Finance Officer and Director of Performance and Contracting, who is responsible for proactively tackling fraud, bribery, and corruption.

Internal Audit Opinion

Following completion of the planned audit work for the period 1 April 2023 to 31 March 2024 for the ICB, the Head of Internal Audit issued an independent and objective opinion on the adequacy and effectiveness of the ICB's system of risk management, governance and internal control. The Head of Internal Audit concluded that:

The role of internal audit is to provide an opinion to the Board, through the Audit Committee, on the adequacy and effectiveness of the internal control system to ensure the achievement of the ICB's objectives in the areas reviewed. The annual report from internal audit provides an overall opinion on the adequacy and effectiveness of the ICB's risk management, control and governance processes, within the scope of work undertaken by our firm as outsourced providers of the internal audit service. It also summarises the activities of internal audit for the period.

The basis for forming my opinion is as follows:

- An assessment of the design and operation of the underpinning Board Assurance Framework and supporting processes
- An assessment of the range of individual opinions arising from risk-based audit assignments contained within internal audit risk-based plans that have been reported throughout the year, taking account of the relative materiality of these areas and management's progress in addressing control weaknesses
- Any reliance that is being placed upon third party assurances.

Overall, we are able to provide **Moderate Assurance** that there is a sound system of internal controls, designed to meet the ICB objectives, that controls are being applied





consistently across various services. In forming our view, we have taken into account that:

- The ICB plans to deliver (subject to external audit) its forecast break-even position with a resource limit of £1,314,621k, for the year April 2023 to March 2024
- The ICB has displayed strong controls in relation to data security and information and routine key financial system controls
- The ICB has risk management processes in place, however, the new format of the Board Assurance Framework is under development and due to be finalised. As a result, this has not been in place since the inception of the ICB
- We have provided a limited assurance on the effectiveness of the ICB's governance arrangements, with recommendations to strengthen the strategic focus and Board measures. Also, we have provided a draft limited assurance opinion on the design of the primary care governance arrangements due to the range of opinions on the effectiveness and engagement across the primary care groups and relationships across the ICS system groups.
- Good progress has been made during the year with the implementation of the actions arising from our audit work.

Internal Audit services are provided to NHS Somerset ICB by BDO LLP. A risk-based approach is taken to the development of internal audit planning, using the ICBs own risk management processes and risk register.

During the period 1 April 2023 to 31 March 2024, Internal Audit carried out its planned audit programme for NHS Somerset ICB and the table below sets out a summary of the audit reports completed and the level of assurance provided:

Area of Audit	Level of Assurance Given
Primary Care Commissioning	<p>Design – Limited Operational Effectiveness – Moderate</p> <p>The purpose of this audit was to provide assurance on the governance structure and decision-making for Primary Care.</p> <p>The development of the Primary Care Strategy included significant engagement and processes for managing meetings at the Primary Care Commissioning Committee (PCCC) and Primary Care Operations Group (PCOG) was good.</p> <p>However, we raised the following findings.</p>





Area of Audit	Level of Assurance Given
	<ul style="list-style-type: none"> • A high rated finding related to the lack of understanding regarding the roles and links between primary care groups across the system and whether these are fit for purpose, including a lack of maturity and consistency throughout PCNs. • A medium rated finding identified discrepancies between the PCOG and PCCC terms of reference and decisions being made in practice, which raised a concern on the suitability of the decision-making responsibilities. <p>The low priority finding relating to the absence of an action plan that addresses all of the 'Fuller Recommendations'.</p>
ICB Governance	<p>Design – Moderate Operational Effectiveness – Limited</p> <p>The ICB rated themselves as an average of 7/10 (on a scale of one to 10, one being not at all effective and 10 being very effective). There is an acknowledgement that improvements can be made to the current processes. In particular, to improve strategic focus and on the monitoring of the progress against the strategic priorities.</p> <p>There is a governance structure in place, meetings being held on a regular basis, meeting papers, minutes and actions being documented. Board training taking place and an inclusive Board/committee environment. However, we identified areas for improvement and control weaknesses regarding strategic focus, currently no BAF or Board measures/KPIs in place, concerns over the length of Board / committee papers, and terms of reference not being reviewed within the documented timeframe. There is a required to clarify the role of some the ICS groups and how they fit into the governance structure of the ICB, in terms of provision of an oversight or assurance or decision-making function.</p> <p>Therefore, we have concluded moderate assurance for control design and limited assurance on effectiveness.</p>
Key Financial Systems	<p>Design – Substantial Operational Effectiveness – Substantial</p> <p>Overall, the ICB has effective controls in place to supports its management of key financial systems. We</p>





Area of Audit	Level of Assurance Given
	<p>tested procedures including journal processing, month-end financial reporting, control account reconciliations and forecasting and confirm the controls are consistently applied.</p> <p>Therefore, we have provided substantial assurance over control design and operational effectiveness of the systems.</p>
Data Security and Protection Toolkit	<p>Design – Moderate Operational Effectiveness – Moderate</p> <p>Based on our review of the assertions included in our sample and using the risk and confidence evaluation methodology provided in NHS Digital's independent assessment guide, we conclude moderate assurance over the design and operational effectiveness of the ICB's data security and protection controls.</p> <p>We rated confidence in the ICB's DSP Toolkit return as high because we noted that the work completed on the DSP Toolkit has been in line with the requirements of the DSP Toolkit, with some gaps relating primarily to the timing of this review.</p> <p>To comply with the DSP Toolkit, the ICB is required to meet all mandatory sub-assertions, therefore further work will be required ahead of the final year-end submission to address the areas of non-compliance identified as part of this audit.</p>
Conflicts of Interest	<p>Design – Moderate Operational Effectiveness – Moderate</p> <p>Overall, the ICB has sound controls in place to manage and monitor conflicts of interest through clear guidance set by the policies.</p> <p>However, we have found an exception around managing conflicts of interest in joint contracts. In addition, we found instances where the Register of Interests was not updated by an ICB Board member within the required timeframe, and one new starter in our sample declared interests which were not included on the register.</p> <p>Therefore, taking into account ongoing work on the conflicts of interest database and plans for training, we</p>





Area of Audit	Level of Assurance Given
	have reported a moderate opinion over both the design and operational effectiveness of the controls.
Cultural Maturity To support the ICB to develop an effective framework and approach to embed the ICB's desired organisational culture. Also, to consider how the ICB is considering how to influence a consistent culture of behaviours across system partners.	N/A – Advisory only
ICS Cross Health economy – EPRR/Business Continuity Planning	Design – Report not yet complete Operational Effectiveness - Report not yet complete

Review of the effectiveness of governance, risk management and internal control

My review of the effectiveness of the system of internal control and its implications is informed by the work of the internal auditors, executive managers and clinical leads within the ICB who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their annual audit letter and other reports.

Our assurance framework provides me with evidence that the effectiveness of controls that manage risks to the ICB achieving its principles objectives have been reviewed.

The Corporate and Strategic Risk Register have been designed to provide me, as Accountable Officer, with sources of assurance which are evidence that the effectiveness of controls that manage risks to the ICB are achieving their principal objectives and are reviewed on an on-going basis as described earlier in this chapter.

The Executive Directors within NHS Somerset ICB who have responsibility for the development and maintenance of the system of internal control provide me, as Accountable Officer, with assurance.

As Accountable Officer, I have received assurance of the effectiveness of the ICB's internal controls as discharged through the committees described in the [Governance Arrangements and Effectiveness section](#).





We have also described the process that has been applied in maintaining and reviewing the effectiveness of the system of internal control, including the role and outputs of the:

- NHS Somerset ICB Board
- Audit Committee
- Finance Committee
- Quality Committee
- Remuneration Committee
- Primary Care Commissioning Committee

Conclusion

I can confirm that no significant internal control issues have been identified.

Jonathan Higman
Accountable Officer
NHS Somerset Integrated Care Board

27 June 2024



ANNEX 1 (GOVERNANCE STATEMENT)

NHS SOMERSET: ICB BOARD Attendance Record 2023/24							
Name and Role (V) = Voting Member (P) = Non-Voting Participant	✓ = Present X = Apologies Given						
	25/05/23	29/06/23	27/07/23	28/09/23	30/11/23	25/01/24	28/03/24
Paul von der Heyde, Chair (V)	✓	✓	✓	✓	✓	✓	✓
Suresh Ariaratnam, Non-Executive Director (Chair of Primary Care Commissioning Committee) (V)	✓	✓	✓	✓	✓	✓	✓
Dr Berge Balian, Primary Care Partner Member (V)	✓	✓	✓	✓	✓	✓	✓
Charlotte Callen, Executive Director of Communications, Engagement and Marketing (P)	X	✓	✓	✓	✓	✓	✓
Victoria Downing-Burn, Chief People Officer (P)	✓	✓	✓	✓	✓	✓	✓
Christopher Foster, Non-Executive Director (Chair of Remuneration Committee, Finance Committee and Somerset People Board) (V)	X	X	✓	✓	✓	✓	✓
Dr Caroline Gamlin, Non-Executive Director (Chair of Quality Committee) (V)	✓	✓	✓	✓	✓	✓	✓
Judith Goodchild, Healthwatch (Participant) (P)	X	✓	✓	✓	✓	✓	✓
Professor Trudi Grant, Executive Director of Public and Population Health, Somerset Council & NHS Somerset (V)	X	✓	✓	X	✓	✓	✓
Alison Henly, Chief Finance Officer and Director of Performance and Contracting (V)	✓	✓	✓	✓	✓	✓	✓
Jonathan Higman, Chief Executive (V)	✓	✓	✓	✓	✓	✓	✓
Peter Lewis, Chief Executive, Somerset Foundation Trust (Trust Partner Member) (V)	✓	✓	X	✓	✓	✓	✓
Dr Bernie Marden, Chief Medical Officer (V)	✓	✓	✓	✓	✓	✓	✓
Alison Rowswell, Acting Director of Operations and Commissioning (P)	✓	✓					
David McClay, Chief Officer for Strategy, Digital and Integration (P)	✓*	✓*	X	X	✓	✓	X
Shelagh Meldrum, Chief Nursing Officer/Chief Operating Officer (V)	✓	✓	✓	✓	✓	✓	X
Katherine Nolan, SPARK Somerset, VCFSE sector (Participant) (P)	✓	X	✓	X	✓	✓	X
Grahame Paine, Non-Executive Director and Vice Chair (Chair of Audit Committee) (V)	✓	✓	✓	✓	✓	✓	X
Jade Renville, Executive Director of Corporate Affairs (P)	✓	✓	✓	✓	✓	✓	✓
Duncan Sharkey, Chief Executive, Somerset County Council (Local Authority Partner Member) (V)	X	✓	X	✓	X	✓	X

* Designate



NHS SOMERSET: AUDIT COMMITTEE

Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given			
	27/06/23	27/09/23	06/12/23	05/03/24
Grahame Paine (V) Non-Executive Director	✓	✓	✓	✓
Christopher Foster (V) Non-Executive Director	X	✓	✓	✓
Caroline Gamlin (V) Non-Executive Director	✓	✓	X	X
Alison Henly (Attendee) Chief Finance Officer and Director of Performance and Contracting	✓	✓	✓	✓

(The Chief Executive is also invited to attend the meeting at least annually)



NHS SOMERSET: QUALITY COMMITTEE

Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given					
	26/04/23	28/06/23	06/09/23	25/10/23	20/12/23	28/02/24
Caroline Gamlin (CG) (V) Chair and Non-Executive Director	✓	✓	✓	✓	✓	✓
Suresh Ariaratnam (SA) (V) Deputy Chair and Non-Executive Director	✓	✓		✓	✓	✓
Grahame Paine (GP) (V) Non-Executive Director	✓	✓	✓	✓	✓	✓
Shelagh Meldrum (SHM) (V) Chief Nursing Officer and Director of Operations	✓	X	✓	✓	✓	X
Bernie Marden (BM) (V) Chief Medical Officer	✓	✓	X	X	✓	✓
Claire Dransfield / Glenys Salisbury Patient Safety Partners (V)			✓	✓	✓	✓
Bernice Cooke (NV) Deputy Director Nursing and Inclusion	✓	✓	✓	X	X	✓
Emma Savage (NV) Deputy Director of Quality and Improvement	✓	✓	X	✓	✓	
Lynette Emsley (LE) (NV) Associate Director of Continuing Healthcare Services	✓	✓	X	✓	✓	X
Sarah Ashe (SA) (NV) Associate Director of Safeguarding, Mental Health, Learning Disability and Autism	✓	✓	✓	✓	X	X
Shona Turnbull-Kirk (STK) (NV) Associate Director for Health Inclusion	✓	✓	X	X	✓	✓



NHS SOMERSET: REMUNERATION COMMITTEE

Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given				
	31/08/23	27/09/23	30/11/23	17/01/24	29/02/24
Paul von der Heyde Chair (V)	✓	✓	✓	✓	✓
Suresh Ariaratnam Non-Executive Director (Chair of Primary Care Commissioning Committee) (V)	✓	✓	✓	X	✓
Christopher Foster Non-Executive Director (Chair of Remuneration Committee, Finance Committee and Somerset People Board) (V)	✓	✓	✓	✓	✓
Dr Caroline Gamlin Non-Executive Director (Chair of Quality Committee) (V)	✓	✓	✓	✓	✓
Grahame Paine Non-Executive Director and Vice Chair (Chair of Audit Committee) (V)	✓	✓	✓	✓	✓



NHS SOMERSET: PRIMARY CARE COMMISSIONING COMMITTEE

Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given			
	06/06/2023	05/09/2023	05/12/2023	05/03/2024
Suresh Ariaratnam, Non-Executive Director (Chair) (V)	✓	✓	✓	✓
Caroline Gamlin, Non- Executive Director (Vice Chair) (V)	✓	✓	✓	✓
Christopher Foster, Non-Executive Director (V)	✓	X	X	X
Alison Henly, Chief Finance Officer and Director of Performance and Contracting (V)	✓	✓	X	X
Bernie Marden, Chief Medical Officer (V)	✓	X	X	X
Shelagh Meldrum, Chief Nursing Officer (V)	X	X		
Bernice Cooke, Deputy Director Nursing and Inclusion, Patient Safety Specialist (V)	✓	X	✓	✓
Dr Jeremy Imms, Clinical Lead for Primary Care (V)	✓	X	✓	✓
Tanya Whittle, Deputy Director of Primary Care and Contracting (V)	✓			
Sukeina Kassam, Deputy Director of Primary Care and Contracting (V)		✓	✓	✓
Michael Bainbridge, Associate Director of Primary Care (V)	✓	X	✓	✓
Sandra Wilson, Patient Representative (PPG Chairs) (V)	✓	✓	✓	✓
Alison Bell, Representative for Public Health (V)	✓	✓	✓	✓
Melanie Smoker, NHS England representative (NV)	✓	✓	X	
Tessa Fielding, NHS England representative (NV)				X
Judith Goodchild, Somerset Healthwatch Representative (NV)	✓	✓	✓	X
Dr Berge Balian, Somerset GP Provider Board (NV)	X	X	✓	✓
Dr Tim Horlock, Local Medical Committee Somerset Local Representative Committee (NV)	✓	✓	✓	✓
Michael Lennox, Local Pharmacy Committee Somerset Local Representative Committee (NV)	✓	✓	✓	X
Charles Greenwood, Local Optometry Committee Somerset Local Representative Committee (NV)	X	X	✓	✓
Andre Louw, Local Dental Committee Somerset Local Representative Committee (NV)	✓	✓	✓	✓



NHS SOMERSET: FINANCE COMMITTEE

Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given											
	20/04/23	17/05/23	21/06/23	20/07/23	05/09/23	20/09/23	18/10/23	23/11/23	13/12/23	17/01/24	21/02/24	20/03/24
Paul von der Heyde (V) Chair	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Grahame Paine (V and NV from 5.9.2023) Non-Executive Director	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	x
Christopher Foster (V) Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Alison Henly (V) Chief Finance Officer and Director of Performance and Contracting	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jonathan Higman (V) Chief Executive	X	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓
Shelagh Meldrum (NV) Chief Nursing Officer	X	✓	✓	X	✓	X	✓	X	X	✓	✓	x
Bernie Marden (NV) Chief Medical Officer	✓	X	X	✓	X	✓	X	✓	✓	✓	X	✓



NHS SOMERSET: LEADERSHIP COMMITTEE

Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given							
	10/05/23	14/06/23	12/07/23	09/08/23	13/09/23	11/10/23	08/11/23	13/12/23
Sarah Ashe, Associate Director of Safeguarding, Mental Health, Learning Disability and Autism V	✓	X	✓	✓	X	✓	✓	✓
Sara Bonfanti, Head of Communications and Engagement (V)	✓	✓	X	X	✓	✓	✓	✓
Kevin Caldwell, Head of Information Governance and Risk (V)	✓	✓	✓	✓	✓	✓	✓	✓
Charlotte Callen, Director of Communications and Engagement (V)	✓	✓	✓	✓	✓	✓	X	✓
Carmen Chadwick-Cox, Deputy Director of Commissioning, Planned Care (V)	✓	✓	X	✓	✓	✓	✓	✓
Bernice Cooke, Deputy Director Nursing and Inclusion (V)	✓	✓	✓	✓	✓	✓	X	✓
Victoria Downing-Burn, Director of Workforce Strategy (V)	✓	✓	✓	X	✓	X	X	✓
Lynette Emsley, Associate Director of Continuing Healthcare Services (V)	X	✓	✓	✓	✓	✓	X	X
Ruth Gazzane, Associate Director – Transformation (V)	✓	✓	X	X	X			
Jane Graham, Associate Director – Workforce Transformation & Innovation: Somerset Integrated Care System (ICS) (V)	✓	✓	X	X	✓	X	✓	X
Trudi Grant, Executive Director of Public and Population Health, Somerset Council & NHS Somerset (V)	X	✓	X	X	X	X	X	X
Shaun Green, Deputy Director of Clinical Effectiveness and Medicines Management (V)	✓	✓	✓	✓	✓	✓	✓	✓
Maria Heard, Deputy Director of Innovation and Transformation (V)	✓	X	X	X	X	✓	X	X
Alison Henly, Chief Finance Officer and Director of Performance and Contracting (V)	✓	✓	X	✓	✓	✓	✓	✓
Jonathan Higman, Chief Executive (Leadership Committee Chair) (V)	✓	✓	✓	X	X	✓	X	✓
Sophie Islington, Associate Director of People and Transformation (V)			✓	✓	X	✓	✓	X
Sukeina Kassam, Deputy Director of Primary Care Contracting (V)			✓	✓	X	✓	✓	X
Andrew Keefe, Deputy Director of Commissioning - Mental Health, Autism, & Learning Disabilities (V)	✓	✓	✓	✓	✓	X	✓	X
Marianne King, Associate Director of Human Resources and Organisational Development (V)	X	X	✓	✓	X	✓	✓	X
Bernie Marden, Chief Medical Officer (Leadership Committee Vice Chair) (V)	X	✓	X	✓	X	✓	✓	✓
David McClay, Chief Officer of Strategy, Digital and Integration (V)	✓	✓	✓	X	X	✓	✓	✓



NHS SOMERSET: LEADERSHIP COMMITTEE

Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given							
	10/05/23	14/06/23	12/07/23	09/08/23	13/09/23	11/10/23	08/11/23	13/12/23
Shelagh Meldrum, Chief Nursing Officer/Chief Operating Officer (V)	✓	✓	X	✓	✓	✓	X	✓
Allison Nation, Associate Director - Digital Strategy (V)	✓	✓	X	X	✓	✓	✓	✓
Peter Osborne, Head of EPRR and Estates (V)	X	X	X	X	✓	X	✓	X
Jade Renville, Director of Corporate Affairs (V)	✓	X	✓	✓	X	✓	✓	✓
Alison Rowswell, Programme Director (V)	✓	✓	✓	X	✓	✓	✓	✓
Emma Savage, Deputy Director, Quality and Nursing (V)	X	✓	✓	✓	X	✓	✓	✓
Scott Sealey, Associate Director of Finance (V)	✓	✓	X	✓	✓	✓	✓	✓
Michelle Skillings, Head of Performance (V)	✓	X	X	X	X	X	X	X
Helen Stapleton, Associate Director of Workforce Strategy: Somerset Integrated Care System	✓	✓	✓	X	X	X	✓	✓
Tracey Tilsley, Associate Director of Corporate Affairs (V)	✓	X	✓	✓	✓	X	✓	X
Shona Turnbull-Kirk, Associate Director of Somerset Covid-19 Vaccination Programme (V)	✓	X	✓	✓	✓	X	X	✓
Tanya Whittle, Deputy Director of Primary Care and Contracting (V)	✓	✓						



**PEOPLE BOARD
Attendance Record 2023/24**

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given				
	24/04/2023	19/06/23	16/08/23	19/10/23	14/12/23
Victoria Downing-Burn, COP (V)	✓	✓	✓	X	✓
Suresh Ariaratnam, NED (V)	✓	✓	✓	✓	✓
Chris Foster, NED (V)	✓	✓	✓	X	✓
Isobel Clements, CPO Somerset FT (V)	✓	✓	✓	✓	✓
Karen Croker, System Relationship Manager, HEE (V)	✓	X	✓	✓	✓
Jane Graham, Associate Director ICB (V)	✓	✓	✓	✓	X
Jonathan Higman, CEO ICB (V)	✓	✓	X	✓	X
Peter Lewis, CEO SFT (V)	✓	✓	✓	X	✓
Rosalita Main-Waring, Head of Area (SW Skills for Care) (NV)	✓	X	X	X	X
Chris Squire, Services Director, SC (NV)	✓	✓	X	X	X
Helen Stapleton, ICB (V)	✓	✓	X	✓	X
Tom Rossiter, Head of Leadership and Talent NHSE (V)	✓	X	X	X	✓
Angela Hayday, NHSE (V)	X	✓	✓	✓	X
Emily Fulbrook, Deputy Director Adult Social Care SC (NV)	X	✓	X	X	X
Claire Melbourne, SWAST (V)	X	X	X	X	X
Katherine Nolan, Spark Somerset (V)	X	X	✓	X	X
Duncan Sharley, CEO SC (V)	X	✓	X	X	X
Jill Helens, Local Medical Council (NV)	X	✓	X	✓	X
Doug Bamsey, Strategic Projects SC (NV)	X	✓	X	X	X
Christiana Evans, Skills For Care (V)	X	✓	✓	✓	X
Keith Thomas, Director perConsulting Ltd (NV)	X	✓	X	X	X
Jo Wharton, Assistant Director SC (NV)	X	✓	X	X	X
David McClay, CO Dig, Strat and Inte ICB (NV)	X	X	✓	✓	X
Cherry Russell, Adult Social Care SC (V)	X	X	X	✓	X
Melissa Fairhurst, HR Business SC (V)	X	X	X	X	✓
Paul Coles, Service Director SC (V)	X	X	✓	✓	✓



SOMERSET ASSURANCE FORUM (SAF) Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given				
	12/05/23	14/07/23	11/09/23	15/11/23	18/01/24
Jonathan Higman, CE, NHS Somerset ICB (V)	✓	✓	✓	✓	✓
Alison Henly, CFO, NHS Somerset ICB (V)	✓	✓	✓	✓	✓
Shelagh Meldrum, CNO, NHS Somerset ICB (V)	✓	✓	✓	✓	✓
Bernie Marden, CMO, NHS Somerset ICB (V)	✓	X	X	✓	✓
Victoria Downing-Burn, CPO, NHS Somerset ICB (V)	✓	✓	X	✓	✓
Grahame Paine, NED, NHS Somerset ICB (V)	✓	✓	✓	✓	✓
Pippa Moger, CFO NHS Somerset FT (V)	✓	✓	✓	✓	X
Andy Heron, COO NHS Somerset FT (V)	✓	X	✓	✓	✓
Anthony Martin, Head of Oversight Assurance NHSE (V)	✓	X	X	X	✓
Mel Lock, Director of Adult Services SC (V)	✓	X	X	X	✓
David McClay, Chief Officer of Strategy, Integration and Digital (V)	✓	X	X	✓	X
Orla Dunn, Consultant in Public Health SC (V)	✓	X	X	X	X
Claire Winter, Director of Children's Services SC (V)	✓	X	X	X	X
Trudi Grant, Executive Director of Public and Population Health, Somerset Council & NHS Somerset (V)	X	✓	✓	X	✓
Andrew Keefe, Deputy Director of Commissioning ICB (V)	X	X	X	X	✓
Peter Lewis, CEO Somerset FT (V)	X	✓	✓	✓	✓
Dan Meron, CMO Somerset FT (V)	X	X	X	X	✓
Hayley Peters, CNO Somerset FT (V)	X	✓	✓	X	X
Alison Rowswell, NHS Somerset ICB (V)	X	✓	✓	✓	✓
Duncan Sharkey, CE SC (V)	X	X	X	X	X
Jane Yeandle, Service Director MH & LD NHS Somerset FT (V)	X	X	X	X	X
Michelle Skillings, Head of Performance ICB (V)	X	✓	✓	✓	✓
Richard Selwyn, Service Director SC (V)	X	✓	✓	✓	X
Xanthe Whittaker, Director of Elective Care Somerset FT (V)	X	✓	✓	✓	✓
Ian Clift, Head of Performance FT (V)	X	✓	✓	X	X
Paul Coles, Service Director SC (V)	X	✓	✓	✓	X



SOMERSET SYSTEM QUALITY GROUP

Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given				
	30/05/23	17/07/23	18/09/23	21/11/23	29/01/24
Shelagh Meldrum, CNO ICB (NV)	✓	✓	X	✓	✓
Bernie Marden, CMO ICB (NV)	✓	✓	X	X	✓
Niki Shaw, Strategic Manager ASC (NV)	✓	✓	✓	✓	✓
Dan Meron, CMO, SFT (NV)	✓	X	X	X	✓
Neal Cleaver, Deputy Clinical Quality Director NHSE (NV)	✓	✓	✓	✓	✓
Bernice Cooke, Deputy Director Nursing and Inclusion ICB (NV)	✓	✓	✓	✓	✓
Gillian Kenniston-Goble, Health Watch Manager, Healthwatch Somerset (NV)	✓	X	✓	✓	✓
Fiona Boyd, Head of Quality, Direct Commissioning NHSE (NV)	✓	X	X	✓	✓
Rachael Parker, Health of Public Operations SCC (NV)	✓	✓	X	✓	X
Roslynn Azzam, Registered Social Worker, Safeguarding NHSE (NV)	✓	✓	✓	X	X
Hayley Peters, CNO SFT (NV)	X	X	X	X	X
Sallyann King, Director of Midwifery SFT (NV)	X	✓	✓	X	X
Kheelna Bavalia, Medical Director NHSE (NV)	X	X	X	X	X
Kim Jones, Assistant Clinical Quality Director NHS(NV)	X	✓	✓	✓	✓
Neil Powell, Inspector Hospitals Acute CQC (NV)	X	X	X	X	X
Anthony Fletcher, CQC Inspection Manager MH and Community CQC (NV)	X	X	X	X	X
Sarah James, Acting Exec Director of Quality and Clinical Care SWAST	X	X	X	X	X
Sue Slocombe, Inspector Hospitals and Acute CQC (NV)	X	X	✓	✓	✓
Tiffany Joby, CQC Inspection Manager Primary Medical Services CQC (NV) (NV)	X	X	X	X	X
Paul Chapman, CQC	X	✓	X	X	X
Claire Winter, Acting Director Childrens Services SCC (NV)	X	X	X	X	X
Alison Bell, Consultant in Public Health SCC (NV)	X	X	✓	✓	✓
Heleen Waters, Associate in Quality HEE (NV)	X	X	X	✓	X
Emily Fulbrook, Deputy Director Adults and MH SCC (NV)	X	X	X	X	X
Lucy Knight, Medical Director Public Health (NV)	X	X	✓	X	✓
Ed Moore, Quality and Safeguarding Lead (NV)	X	X	✓	X	X
Glenys Salisbury, Patient Voice (NV)	X	X	✓	X	X



POPULATION HEALTH TRANSFORMATION BOARD
Attendance Record 2023/24

Name and Role (V) = Voting Member (NV) = Non-Voting Member	✓ = Present X = Apologies Given											
	28/04/23	23/05/23	27/06/23	25/07/23	22/08/23	26/09/23	24/10/23	28/11/23	15/12/23	10/01/24	21/02/24	22/03/24
Trudi Grant (V) Executive Director of Public and Population Health, Somerset Council & NHS Somerset	✓	X	✓	✓	✓	✓	C A N C E L L E D	✓	C A N C E L L E D	✓	✓	✓
David McClay (V) Director of Strategy, Digital & Integration, NHS Somerset		✓	✓	✓	✓	X		✓		X	✓	X
Bernie Marden (V) Chief Medical Officer, NHS Somerset	✓	✓	X	✓	✓	✓		X		X	✓	✓
Charlotte Callen (V) Director of Communications, NHS Somerset	✓	✓	X	✓	X	✓		✓		✓	X	✓
Victoria Downing-Burn (V) Chief People Officer, NHS Somerset	✓	✓	✓	X	✓	✓		✓		X	X	✓
Alison Henly (V) Chief Finance Officer and Director of Performance and Contracting, NHS Somerset	✓	✓	✓	✓	X	X		✓		✓	✓	✓
Shelagh Meldruv Chief Nursing Office, NHS Somerset	✓	✓	X	X	X	✓		✓		✓	X	X
Dr Robert Weaver (V) ACD for Population Health, NHS Somerset	✓	✓	✓	✓	X	✓		X		✓	✓	X
David Shannon (V) Director of Strategy & Digital Development, SFT	X	X	✓	✓	✓	X		✓		X	X	✓
Daniel Meron (V) Chief Medical Officer, SFT	✓	X	✓	✓	✓	✓		X		X	X	X
Greg Cobb (V) AD Improvement, Research & Development, SFT	✓	✓	✓	✓	X	✓		✓		✓	✓	✓
Sadie Male (V) Programme Manager, SFT	✓	✓	✓	✓	✓	X		✓		X	✓	✓
Michael Lennox (V) Chief Officer, Somerset Local Pharmaceutical Committee		✓	✓	X	✓	✓		✓		✓	✓	✓
Katherine Nolan (V) CEO Spark Somerset	✓	✓	✓	X	✓	✓		✓		✓	✓	X
Matthew Hibbert (NV) Public Health Consultant, Somerset Council	✓	✓	✓	X	✓	✓		✓		✓	✓	✓
Allison Nation (NV) AD of Digital Strategy, NHS Somerset	✓	✓	✓	X	X	✓		X		✓	X	X
Orla Dunn (NV) Public Health Consultant, Somerset Council	X	✓	✓	✓	✓	✓		✓		✓	✓	✓





Remuneration and Staff Report

Remuneration Report

This section of the report contains details of remuneration and pension entitlements for senior managers of NHS Somerset ICB in line with Chapter 5 of Part 15 of the Companies Act 2006.

Senior managers are defined as those persons in senior positions having authority or responsibility for directing or controlling the major activities of the ICB. This means those who influence the decisions of the ICB as a whole, rather than the decisions of individual directorates or departments. Such persons will include advisory and lay members. In defining this, the scope the ICB has used is to include members of the decision-making groups within the ICB, which the ICB has defined as the ICB Board, excluding those members not directly employed by the ICB. Senior managers (excluding Lay Members) are generally employed on permanent contracts with a six month period of notice.

The remuneration report and other disclosures referenced as 'subject to audit' in the Accountability Report will be audited by Grant Thornton UK LLP, NHS Somerset ICB's external auditors.

- single total figure of remuneration for each director
- CETV disclosures for each director
- payments to past directors
- payments for loss of office
- fair pay disclosures
- pay ratio information
- exit packages
- analysis of staff numbers and costs.

Remuneration Committee

Details regarding the Remuneration Committee membership can be found [here](#).

Fair Pay Disclosure (subject to audit)

Reporting bodies are required to disclose separately, for salary and allowances, and performance pay and bonuses;

- the percentage change from the previous financial year in respect of the highest paid director, and





- the average percentage change from the previous financial year in respect of employees of the entity, taken as a whole.

Percentage change in remuneration of highest paid director (subject to audit)

2023/24 Disclosure	Salary and allowances Increase / (Decrease) %	Performance pay and bonuses Increase / (Decrease) %
The percentage change from the previous financial year in respect of the highest paid director	5.0%	0%
The average percentage change from the previous financial year in respect of employees of the entity, taken as a whole (excluding the highest paid director)	4.8%	0%

Staff remuneration increases for the period include Agenda for Change pay uplifts awarded for 2023/24. Agenda for Change guidelines are also taken into consideration when assessing inflationary increase awarded to Directors.

There have also been changes to staffing structures during 2023/24 with NHS Somerset ICB taking responsibility for hosting the South West Collaborative Commissioning Hub and also taking initial steps in implementing a complete organisational restructure, with a view to delivering a required reduction in running costs from 2024/25.

2022/23 Prior Year Disclosure	Salary and allowances Increase / (Decrease) %	Performance pay and bonuses Increase / (Decrease) %
The percentage change from the previous financial year in respect of the highest paid director	0%	0%
The average percentage change from the previous financial year in respect of all employees taken as a whole (excluding the highest paid director)	4.82%	0%

Pay ratio information (subject to audit)

NHS Somerset ICB is required to disclose;

- the 25th percentile, median and 75th percentile of remuneration of the ICB's staff (based on annualised, full-time equivalent remuneration of all staff (including temporary and agency staff) as at the reporting date)
- the 25th percentile, median and 75th percentile of the salary component of remuneration of the ICB's staff (based on annualised, full-time equivalent





remuneration of all staff (including temporary and agency staff) as at the reporting date)

- the range of staff remuneration
- the relationship between the remuneration of the highest-paid director / member in the organisation against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration is further broken down to show the relationship between the highest paid director's salary component of their total remuneration against the 25th percentile, median and 75th percentile of salary components of the organisation's workforce.

The table below illustrates;

- remuneration of NHS Somerset ICB staff
- the ratios of staff remuneration against the mid-point of the banded remuneration of the highest paid director
- the ratios of the salary component of staff remuneration against the mid-point of the banded remuneration of the highest paid director.

2023/24	25th percentile	Median	75th percentile
'All staff' remuneration based on annualised, full-time equivalent remuneration of all staff (including temporary and agency staff)	34,581	45,996	58,972
Salary component of 'all staff' remuneration based on annualised, full-time equivalent remuneration of all staff (including temporary and agency staff)	34,581	45,996	58,972
Ratio of remuneration of all staff to the mid-point of the banded remuneration of the highest paid director	6.00 : 1	4.51 : 1	3.52 : 1
Ratio of the salary component of remuneration of all staff to the mid-point of the banded salary of the highest paid director	6.00 : 1	4.51 : 1	3.52 : 1
2022/23 (for the nine month period 1 July 2022 to 31 March 2023)	25th percentile	Median	75th percentile
'All staff' remuneration based on annualised, full-time equivalent remuneration of all staff (including temporary and agency staff)	32,934	40,588	54,619
Salary component of 'all staff' remuneration based on annualised, full-time equivalent remuneration of all staff (including temporary and agency staff)	32,934	40,588	54,619
Ratio of remuneration of all staff to the mid-point of the banded remuneration of the highest paid director	6.00 : 1	4.87 : 1	3.62 : 1





Ratio of the salary component of remuneration of all staff to the mid-point of the banded salary of the highest paid director	6.00 : 1	4.87 : 1	3.62 : 1
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The banded remuneration of the highest paid director / member in NHS Somerset ICB in the reporting period 1 April 2023 to 31 March 2024 was £205,000 to £210,000 (2022/23: £195,000 to £200,000 for the nine months 1 July 2022 to 31 March 2023)

During the reporting period from 1 April 2023 to 31 March 2024, no employees received remuneration in excess of the highest-paid director/member (2022/23: zero during the nine months from 1 July 2022 to 31 March 2023). Remuneration ranged from £7,200 to £189,500 (2022/23: £13,000 to £180,400 during the nine-month period from 1 July 2022 to 31 March 2023) based on full-time equivalent remuneration of all staff (including temporary and agency staff). Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Policy on the remuneration of senior managers

The remuneration of the Chief Executive and Directors within NHS Somerset ICB is the responsibility of the Remuneration Committee. It is the Remuneration Committee that determines the reward packages of Executive Directors, whilst taking account of the Pay Framework for Very Senior Managers (VSM) published by the Department of Health.

NHS Somerset ICB also has an established committee to oversee the appointments and remuneration for non-executive directors. This Committee makes determinations about the appointment, pay and remuneration for non-executive directors of the ICB Board and Committees.

National guidance was followed with regards to the remuneration of mandatory senior manager posts within NHS Somerset ICB; Chief Medical Officer, Chief Nursing Officer and Chief Finance Officer, along with the Chief Executive Officer. With other senior manager posts remuneration levels were agreed at the NHS Somerset ICB Remuneration Committee. Benchmarking was carried out to establish that rates of pay were comparable across the South West and are reviewed to ensure that pay scales remain competitive, but take into consideration the financial position of the organisation.

Agenda for Change guidelines are taken into consideration when assessing whether to award an inflationary increase to directors.

Remuneration of Very Senior Managers (VSMs)

NHS Somerset ICB has three VSMs in post with remuneration levels that exceed £150,000 per annum. For one post, national guidance was followed for the level of





remuneration awarded and this was approved regionally and centrally. For the other VSM posts the approvals process was followed centrally with NHS England. The NHS Somerset ICB Remuneration Committee have approved the levels awarded to each post.

Senior manager remuneration (including salary and pension entitlements) (subject to audit)

The table below details the remuneration levels for all senior managers in NHS Somerset ICB.

Total 1 April 2023 to 31 March 2024							
		Salary (a)	Expense payments (taxable) (b)	Performance Pay and Bonuses (c)	Long Term Performance Pay and Bonuses (d)	All Pension Related Benefits (e)	Total (a to e)
Name	Title	(bands of £5,000)	(rounded to the nearest £100*)	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £5,000)
		£'000	£	£'000	£'000	£'000	£'000
Jonathan Higman	Chief Executive	185-190	0	0	0	0	185-190
Alison Henly	Chief Finance Officer and Director of Performance and Contracting	140-145	0	0	0	0	140-145
David McClay	Chief Officer of Strategy, Digital and Integration (from 24/04/2023)	110-115	0	0	0	107.5-110	220-225
Shelagh Meldrum	Chief Nursing Officer and Director of Operations	150-155	0	0	0	0	150-155
Paul von der Heyde	Chair	55-60	0	0	0	0	55-60
Bernie Marden	Chief Medical Officer	205-210	0	0	0	0	205-210
Victoria Downing-Burn	Chief People Officer	120-125	0	0	0	0	120-125
Charlotte Callen	Director of Communications, Engagement and Marketing	100-105	0	0	0	22.5-25	125-130
Jade Renville	Director of Corporate Affairs	95-100	0	0	0	27.5-30	125-130
Trudi Grant	Executive Director of Public and Population Health	65-70	0	0	0	0	65-70





Total 1 April 2023 to 31 March 2024							
		Salary (a)	Expense payments (taxable) (b)	Performance Pay and Bonuses (c)	Long Term Performance Pay and Bonuses (d)	All Pension Related Benefits (e)	Total (a to e)
Name	Title	(bands of £5,000)	(rounded to the nearest £100*)	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £5,000)
		£'000	£	£'000	£'000	£'000	£'000
Caroline Gamlin	Non-Executive Director	10-15	0	0	0	0	10-15
Suresh Ariaratnam	Non-Executive Director	10-15	0	0	0	0	10-15
Grahame Paine	Non-Executive Director	10-15	0	0	0	0	10-15
Christopher Foster	Non-Executive Director	10-15	0	0	0	0	10-15

*Note: Taxable expenses and benefits in kind are expressed to the nearest £100. The values and bands used to disclose sums in this table are prescribed by the Cabinet Office through Employer Pension Notices and replicated in the HM Treasury Financial Reporting Manual.

Officer Holder Changes notes:

David McClay was appointed as Chief Officer of Strategy, Digital and Integration on 24 April 2023.

Trudi Grant was awarded an honorary appointment with NHS Somerset ICB as Executive Director of Public and Population Health, Somerset Council & NHS Somerset from 1 April 2023. Her contract of employment is held by Somerset Council and NHS Somerset ICB make a 50% contribution to her salary cost. Trudi Grant's total salary for 2023/24 across both Somerset Council and NHS Somerset ICB was £138,600.

An organisational change process took place in 2023 to reconsider the form and function of NHS Somerset ICB's leadership structure. As a result the posts of Acting Director of Operations and Commissioning and Programme Director of 'Fit for My Future' were not continued as senior leadership posts.

Other Notes:

- No senior manager waived his/her remuneration.
- No annual or long-term performance related bonus payments were made to any senior managers during the reporting period 1 April 2023 to 31 March 2024.
- Jonathan Higman, Alison Henly, Bernie Marden and Victoria Downing-Burn are affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995 to 2008 Scheme on 1 October 2023. Negative values are not disclosed under All Pension Related Benefits in this table but are substituted with a zero.





Prior Year Comparator		2022/23 (for the reporting period 1 July 2022 to 31 March 2023)					
		Salary	Expense payment (taxable)	Performance Pay and Bonuses	Long Term Performance Pay and Bonuses	All Pension Related Benefits	Total
Name	Title	(bands of £5,000)	(rounded to the nearest £100)	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £5,000)
		£'000	£	£'000	£'000	£'000	£'000
Jonathan Higman	Chief Executive	135-140	0	0	0	87.5-90	220-225
Alison Rowswell	Acting Director of Operations and Commissioning	75-80	0	0	0	130-132.5	210-215
Alison Henly	Chief Finance Officer and Director of Performance	95-100	3,900	0	0	77.5-80	180-185
Maria Heard	Programme Director of 'Fit for My Future'	85-90	0	0	0	17.5-20	105-110
Shelagh Meldrum	Chief Nursing Officer	105-110	0	0	0	7.5-10	115-120
Paul von der Heyde	Chair	40-45	0	0	0	0	40-45
Bernie Marden	Chief Medical Officer (from 01/09/2022)	110-115	0	0	0	50-52.5	165-170
Victoria Downing-Burn	Director of Workforce Strategy (from 01/08/2022)	75-80	0	0	0	52.5-55	130-135
Charlotte Callen	Director of Communications and Engagement (from 05/09/2022)	55-60	0	0	0	7.5-10	65-70
Jade Renville	Director of Corporate Affairs (from 01/08/2022)	60-65	0	0	0	10-12.5	70-75
Caroline Gamlin	Non-Executive Director	5-10	0	0	0	0	5-10
Suresh Ariaratnam	Non-Executive Director	5-10	0	0	0	0	5-10
Grahame Paine	Non-Executive Director	5-10	0	0	0	0	5-10
Christopher Foster	Non-Executive Director	5-10	0	0	0	0	5-10

Officer Full Year Equivalent Salaries:

Jonathan Higman £180-185k
 Alison Rowswell £95-100k





Alison Henly	£130-135k
Maria Heard	£105-110k
Shelagh Meldrum	£140-145k
Paul von der Heyde	£60 – 65k
Bernie Marden	£195-200k
Victoria Downing-Burn	£110-115k
Charlotte Callen	£95-100k
Jade Renville	£95-100k
Caroline Gamlin	£10 – 15k
Suresh Ariaratnam	£10 – 15k
Grahame Paine	£10 – 15k
Christopher Foster	£10 – 15k

Officer Holder Changes notes:

- Jade Renville was appointed as Director of Corporate Affairs on 1 August 2022.
- Victoria Downing-Burn was appointed as Director of Workforce Strategy on 1 August 2022.
- Bernie Marden was appointed as Chief Medical Officer on 1 September 2022.
- Charlotte Callen was appointed as Director of Communications and Engagement on 5 September 2022.

Other Notes:

- Expense payments relate to Lease Cars
- No senior manager waived his/her remuneration.
- No annual or long-term performance related bonus payments were made to any senior managers during the reporting period 1 July 2022 to 31 March 2023.





Pension benefits as at 31 March 2024 (subject to audit)

The following table details the pension entitlements for each of the senior managers who received pensionable remuneration through the NHS pension scheme.

Name	Title	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at Pension age at 31 March 2024	Lump sum at pension age related to accrued pension at 31 March 2024	Cash equivalent transfer value at 1 April 2023	Real increase in cash equivalent transfer value	Cash equivalent transfer value at 31 March 2024	Employer's contribution to partnership pension
		(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)				
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Jonathan Higman	Chief Executive	0	27.5-30	65-70	170-175	1,207	133	1,486	0
Alison Henly	Chief Finance Officer and Director of Performance and Contracting	0	25-27.5	50-55	145-150	1,006	123	1,250	0
David McClay	Chief Officer of Strategy, Digital and Integration (from 24/04/2023)	5-7.5	7.5-10	25-30	75-80	430	84	579	0
Charlotte Callen	Director of Communications, Engagement and Marketing	0-2.5	0	0-5	0	10	13	38	0
Jade Renville	Director of Corporate Affairs	0-2.5	0	25-30	0	208	100	342	0
Bernie Marden	Chief Medical Officer	0	62.5-65	80-85	230-235	1,507	309	1,970	0
Victoria Downing-Burn	Chief People Officer	0	22.5-25	30-35	80-85	498	122	687	0

Notes:

1. Non-Executive Directors do not receive pensionable remuneration.
2. Pensionable contributions may include more than just those from ICB employment. Where a GP is under a contract of service with the ICB and pays pension contributions then they are classed as 'NHS staff (Officer)' for pension purposes. The figures provided by NHS Pensions cover only the 'Officer' element of the GP's pension entitlement.
3. Cash Equivalent Transfer Value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2024.





4. Shelagh Meldrum chose not to be covered by the pension arrangements during the reporting year.
5. Jonathan Higman, Alison Henly, Bernie Marden and Victoria Downing-Burn are affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995 to 2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.

Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement).

Compensation on early retirement or for loss of office (subject to audit)

NHS England has set restrictions on the payment of any compensation within NHS Somerset ICB. There have been no compensation terms agreed for 2023/24.

Payments to past directors (subject to audit)

NHS Somerset ICB has made no payments to past directors during the period 1 April 2023 to 31 March 2024.





Explanation of Key Terms used in Remuneration and Pension Reports

Term	Definition
Annual Performance Related Bonuses	Money or other assets received or receivable for the financial year as a result of achieving performance measures and targets for the period.
Cash Equivalent Transfer Value (CETV)	A CETV is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated in accordance with the Occupational Pension Schemes (Transfer Values) Regulations.
Employer's contribution to stakeholder pension	The amount that the ICB has contributed to individual's stakeholder pension schemes.
Lump sum at pension age related to real increase in pension	The amount by which the lump sum to which an individual will be entitled on retirement has increased during the year
Lump sum at pension age related to accrued pension at 31 March 2024	The amount of lump sum pension to which an individual will be entitled on retirement at pension age as a result of their membership of the pension scheme to 31 March 2024
Real increase in CETV	This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.
Real increase in pensions at pension age	The amount by which the pension to which an individual will be entitled at pension age has increased during the year
Total accrued pension at pension age at 31 March 2024	The amount of annual pension to which an individual will be entitled on retirement at pension age as a result of their membership of the pension scheme to 31 March 2024





Staff Report

Number of senior managers

The number of senior managers within NHS Somerset ICB is set out below in the 'Staff composition' table below.

Staff numbers and costs (subject to audit)

NHS Somerset ICB's total staff costs for the period 1 April 2023 to 31 March 2024 are summarised in the following table. These figures are consistent with information provided within the financial statements:

	Total		
	Permanent Employees	Other	Total
	£'000	£'000	£'000
	N4G	N4H	N4I
Salaries and wages	15,156	1,063	16,219
Social security costs	1,699	51	1,750
Employer contributions to the NHS Pension Scheme	2,932	56	2,988
Other pension costs	1	0	1
Apprenticeship levy	63	0	63
Other post-employment benefits	-	-	-
Other employment benefits	-	-	-
Termination benefits	102	0	102
Gross Employee Benefits Expenditure	19,953	1,170	21,123
Less: Recoveries in respect of employee benefits (note 4.1.2)	-	-	-
Net employee benefits expenditure incl. capitalised costs	19,953	1,170	21,123
Less: Employee costs capitalised	-	-	-
Net employee benefits expenditure excl. capitalised costs	19,953	1,170	21,123





Average Number of Persons Employed (subject to audit)

The average number of ICB staff employed by staff grouping is as follows:

Average number of people employed				1 July 2022 to 31 March 2023
	2023/24			
	Permanently employed	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	6	0	6	5
Administration and estates	232	11	243	210
Healthcare assistants and other support staff	0	0	0	0
Nursing, midwifery and health visiting staff	53	0	53	51
Scientific, therapeutic and technical staff	11	0	11	5
Social Care Staff	2	0	2	1
Total	304	11	315	272
Of the above:				
Number of whole time equivalent people engaged on capital projects	-	-	-	-

The majority of employees are members of the NHS defined benefit pension scheme. Details of the scheme and its accounting treatment may be found within the accounting policies disclosed in the full audited annual accounts.

Staff composition

The breakdown of the gender profile for NHS Somerset ICB as at 31 March 2024 is set out below:

Category	% Male	% Female	Total Number
Board Voting Members	66.7%	33.3%	9
Executive Directors	50.0%	50.0%	6
All substantive ICB Staff	18.2%	81.8%	302





Sickness absence data

The absence FTE % for NHS Somerset ICB was 3.8%. This is based on data available for the period 1 January 2023 to 31 December 2023.

The ICB has a clear and robust Management of Sickness Absence Policy.

Sickness absence data for NHS Somerset ICB is available via the following link: [NHS Sickness Absence Rates - NHS Digital](#)

No ill health retirements were supported during the period 1 April 2023 to 31 March 2024.

Staff turnover percentages

Staff turnover for NHS Somerset ICB during the period 1 April 2023 to 31 March 2024 was 15.0%.

Staff turnover information for NHS Somerset ICB is captured as part of NHS Digital's NHS workforce statistics and is available via the following link: [NHS workforce statistics - NHS Digital](#)

This data series is an official statistics publication complying with the UK Statistics Authority's Code of Practice.

Staff engagement percentages

In the NHS National Staff Survey, staff engagement is measured across three themes:

Theme	NHS Somerset ICB Staff Engagement Scores
Advocacy	6.68
Motivation	6.68
Involvement	7.10
Overall staff engagement	6.88

The themes are summary scores for groups of questions, which taken together give more information about each area of interest. They are worked out by assigning values to responses (on a scale from 0 to 10) and calculating their average. All values reported relate to an average (mean) score, where a higher score indicates a more favourable outcome for the given indicator.

Staff engagement levels demonstrate the health of the workforce within NHS Somerset ICB. Staff Survey questionnaires were sent to 360 colleagues in NHS Somerset, 259





were returned which gave a 71.9% response rate which is aligned with the average response rate for ICBs.

The themes of 'Morale' and 'Staff Engagement' remain key performance indicators. Both theme scores for NHS Somerset are in line with sector scores, other than subtheme 'Advocacy', which is higher than other ICB's.

At question level, 55 scores are in the top (20%) range of ICBs. There are 45 scores that are in the intermediate range (60%) and 6 in the bottom range (20%).

Where comparing to 2022, 21 question-level scores have declined and there have been no significant improvements. The declines include staff feeling comfortable to raise concerns, the organisation acting upon concerns, and questions about learning and development.

We are now embarking on some listen and learn events to further understand the survey results and continues to be a responsive and inclusive organisation, engaging with colleagues, fostering good relationships, and nurturing a culture of compassion and learning.

Staff policies

NHS Somerset ICB applied the following new or updated staff policies in the period 1 April 2023 to 31 March 2024:

- Organisational Change Policy
- Menopause Risk Assessment Guidance
- Lease Car (Salary Sacrifice) Scheme Policy
- Absence Management Policy

Staff Diversity and Inclusion Policy, initiatives and longer-term ambitions

Whilst NHS Somerset ICB does not hold a staff facing Diversity and Inclusion Policy, there are a number of programmes within the organisation which support our aims.





These include:

Measure	Detail
Disability Confident Scheme	NHS Somerset ICB is a member of the Disability Confident Employer Scheme level 2, ensuring we respond to the potential needs of new applicants and current workforce needs. Details of the scheme can be found here - Disability Confident employer scheme - GOV.UK (www.gov.uk)
Recruitment practices	NHS Somerset ICB is working on a program to embed Equality, Diversity & Inclusion Representatives into the recruitment and retention program. These individuals would offer expertise to professionals involved in the onboarding process from a legal and ethical perspective to help drive a wider diverse pool of staff, whilst supporting Anti racism practices and encouraging allyship. This is a system-wide program, which already has many of our partners ready to take the program on in their organisations.
Equality training	NHS Somerset ICB has an ambition to embed lived experiences in the training delivered to staff, as this offers a more impactful learning experience. This will be done through various formats including lunch & learns, workshops and delivery on specific awareness days.
ICS Workforce Inclusion Lead	With the appointment of this role, NHS Somerset ICB has an opportunity to proactively work across the system, to identify and share good practices, co-create innovative inclusive programs, deliver cost saving opportunities and create a sense of belonging for the “one workforce” approach across Somerset.

NHS Somerset ICB has a long-term ambition to embed Inclusion and equity into the core processes and policies which impact staff experience and will work closely with the Integrated Care System (ICS) to develop, implement, and measure programmes and projects that are designed to improve staff experience across Somerset.

We can confirm that a System Diversity and Inclusion Plan has been agreed, to which NHS Somerset is a partner, which seeks to consider how we are ensuring that we build, maintain and support a diverse workforce, offering opportunities for advancement of





colleagues at all stages. Please see our webpage on [Equality, Diversity and Inclusion - NHS Somerset ICB](#)

We have not identified any barriers to improving the diversity and inclusiveness of our workforce.

As described within the [other employee matters section](#), NHS Somerset has operated an organisational restructuring process from November 2023 to the current date. Full Equality Impact Assessment considerations have been made in respect of these changes, including potential impact on diversity of the workforce where job loss is expected. We are assured through subsequent and ongoing assessments, that we are not expecting a negative impact on the diversity of our workforce.

There are no specific key performance indicators (KPIs) set in respect of inclusion and diversity, however plans in respect of specific points can be seen in their appropriate documentation, i.e. the Gender Pay Gap action plan and the Workforce Race Equality Standard action plan.

Trade Union Facility Time

The trade union (facility time publication requirements) regulations 2017 came into force on 1 April 2017. In line with these regulations, all organisations employing more than 49 staff, must publish information on facility time, which is agreed time off from an individual's job to carry out a trade union role.

Our organisation

NHS Somerset ICB
1 April 2023 to 31 March 2024

Employees in our organisation

50 to 1,500 employees

Trade union representatives and full-time equivalents

Trade union representatives: 1
FTE trade union representatives: 0.80

Percentage of working hours spent on facility time

0% of working hours: 0 representatives
1 to 50% of working hours: 1 representative
51 to 99% of working hours: 0 representatives
100% of working hours: 0 representatives





Total pay bill and facility time costs

Total pay bill: £21,122,918
Total cost of facility time: £6,852
Percentage of pay spent on facility time: 0.03%

Paid trade union activities

Hours spent on paid facility time: 213
Hours spent on paid trade union activities: 11
Percentage of total paid facility time hours spent on paid TU activities: 5.2%

Other employee matters

Organisational Change

In November 2023, NHS Somerset commenced an organisational change process which enables the organisation to align its form to the new operating model, whilst also meeting the challenge of reducing running costs by 30% by 2025/26. This has required consultation with the NHS Somerset workforce on the changes to the business structure.

Phase one of the consultation commenced in November 2023 and concluded in December 2023, with Phase two commencing in March 2024 and concluding in April 2024. At the time of writing, the change process remains live and will continue into early 2024/2025.

Trade Union Relationships

In September 2023, NHS Somerset ICB reviewed and revised their Trade Union Recognition agreement and supported the re-establishment of a local Trade Union Partnership Forum with the aim of increasing partnering with recognised trade unions and strengthening employee voice within the organisation.

Pay Policy

In September 2023, NHS Somerset ICB undertook a review of localised pay rates agreed for medical colleagues on sessional pay rates. As part of this review, a commitment was made to an annual review of localised pay rates for non-VSM colleagues, to ascertain if pay remains competitive, equitable and affordable for the current context.





Expenditure on consultancy

The ICB consultancy expenditure in the period 1 April 2023 to 31 March 2024 was £269,053, as per note 5 in the annual accounts. This related to services such as strategic advice, organisational and change management consultancy, technical consultancy and marketing and communications consultancy.

Off-payroll engagements

Table 1: Length of all highly paid off-payroll engagements

For all off-payroll engagements as at 31 March 2024, for more than £245* per day:

	Number
Number of existing engagements as of 31 March 2024	8
<i>Of which, the number that have existed:</i>	
for less than one year at the time of reporting	8
for between one and two years at the time of reporting	-
for between 2 and 3 years at the time of reporting	-
for between 3 and 4 years at the time of reporting	-
for 4 or more years at the time of reporting	-

*The £245 threshold is set to approximate the minimum point of the pay scale for a Senior Civil Servant.

All existing off-payroll engagements, outlined above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.





Table 2: Off-payroll workers engaged at any point during the financial year

For all off-payroll engagements between 1 April 2023 to 31 March 2024, for more than £245⁽¹⁾ per day:

	Number
No. of temporary off-payroll workers engaged between 1 April 2023 to 31 March 2024	12
<i>Of which:</i>	
No. not subject to off-payroll legislation ⁽²⁾	0
No. subject to off-payroll legislation and determined as in-scope of IR35 ⁽²⁾	0
No. subject to off-payroll legislation and determined as out of scope of IR35 ⁽²⁾	12
the number of engagements reassessed for compliance or assurance purposes during the year	0
Of which: no. of engagements that saw a change to IR35 status following review	0

⁽¹⁾ The £245 threshold is set to approximate the minimum point of the pay scale for a Senior Civil Servant.

⁽²⁾ A worker that provides their services through their own limited company or another type of intermediary to the client will be subject to off-payroll legislation and the Department must undertake an assessment to determine whether that worker is in-scope of Intermediaries legislation (IR35) or out-of-scope for tax purposes.

Table 3: Off-payroll engagements / senior official engagements

For any off-payroll engagements of Board members and / or senior officials with significant financial responsibility, between 1 April 2023 to 31 March 2024:

Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during reporting period ⁽¹⁾	0
Total no. of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the reporting period. This figure should include both on payroll and off-payroll engagements. ⁽²⁾	9

During the period there have been no incidences where a senior officer position has been held by an off-payroll member of staff.





Exit packages, including special (non-contractual) payments (subject to audit)

Table 1: Exit Packages

Exit package cost band (inc. any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	WHOLE NUMBERS ONLY	£s	WHOLE NUMBERS ONLY	£s	WHOLE NUMBERS ONLY	£s	WHOLE NUMBERS ONLY	£s
Less than £10,000	-	-	-	-	-	-	-	-
£10,000 - £25,000	1	14,991	2	38,014	3	53,005	-	-
£25,001 - £50,000	-	-	1	49,010	1	49,010	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-	-	-
£150,001 - £200,000	-	-	-	-	-	-	-	-
>£200,000	-	-	-	-	-	-	-	-
TOTALS	1	14,991	3	87,024	4	102,015	-	-

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Terms and Conditions of Service and are in line with statutory requirements. Exit costs in this note are the full costs of departures agreed in the year. Where NHS Somerset ICB has agreed early retirements, the additional costs are met by NHS Somerset ICB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

This disclosure reports the number and value of exit packages agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period.





Table 2: Analysis of Other Departures

	Agreements	Total Value of agreements
	Number	£000s
Voluntary redundancies including early retirement contractual costs	1	49,010
Mutually agreed resignations (MARS) contractual costs	1	23,676
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice	1	14,338
Exit payments following Employment Tribunals or court orders	-	-
Non-contractual payments requiring HMT approval	-	-
TOTAL	3	87,024

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Table 1 which will be the number of individuals.

The Remuneration Report includes disclosure of exit packages payable to individuals named in that Report.





Parliamentary Accountability and Audit Report

NHS Somerset ICB is not required to produce a Parliamentary Accountability and Audit Report. Disclosures on remote contingent liabilities, losses and special payments, gifts, and fees and charges are included as notes in the Financial Statements of this report at Appendix 1. An audit certificate and report is also included in this Annual Report.





ANNUAL ACCOUNTS



**NHS Somerset Integrated Care Board
Annual Accounts 2023-24**

Appendix 1

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Statement of Comprehensive Net Expenditure for the year ended 31 March 2024

	Note	2023-24 £'000	2022-23 £'000
Income from sale of goods and services	2	(13,147)	(1,868)
Other operating income	2	(2,655)	(500)
Total operating income		(15,802)	(2,368)
Staff costs	4	21,122	13,462
Purchase of goods and services	5	1,307,074	930,866
Depreciation and impairment charges	5	493	385
Provision expense	5	1,568	308
Other operating expenditure	5	156	92
Total operating expenditure		1,330,413	945,113
Net Operating Expenditure		1,314,611	942,745
Finance expense	8	10	10
Other Gains & Losses	7	0	4
Comprehensive Expenditure for the year		1,314,621	942,759

The notes on pages 1 to 26 form part of this statement

The 2022-23 comparatives are for the nine month period from 1 July 2022 to 31 March 2023

Statement of Financial Position as at 31 March 2024

	Note	2023-24 £'000	2022-23 £'000
Non-current assets:			
Property, plant and equipment	9	252	195
Right-of-use assets	10	795	1,229
Total non-current assets		1,047	1,424
Current assets:			
Inventories	11	0	2
Trade and other receivables	12	13,701	3,460
Cash and cash equivalents	13	46	43
Total current assets		13,747	3,505
Total assets		14,794	4,929
Current liabilities			
Trade and other payables	14	(67,877)	(61,731)
Lease liabilities	10	(418)	(414)
Provisions	15	(1,573)	(342)
Total current liabilities		(69,868)	(62,487)
Non-Current Assets plus/less Net Current Assets/Liabilities		(55,074)	(57,558)
Non-current liabilities			
Lease liabilities	10	(421)	(839)
Total non-current liabilities		(421)	(839)
Assets less Liabilities		(55,495)	(58,397)
Financed by Taxpayers' Equity			
General fund		(55,495)	(58,397)
Total taxpayers' equity:		(55,495)	(58,397)

The notes on pages 1 to 26 form part of this statement

The 2022-23 comparatives are for the nine month period from 1 July 2022 to 31 March 2023

The financial statements on pages 1 to 4 were approved by the Governing Body on 27/06/24 and signed on its behalf by:

Jonathan Higman
Chief Executive
NHS Somerset ICB

Statement of Changes In Taxpayers' Equity for the year ended 31 March 2024

	General fund £'000	Total reserves £'000
Changes in taxpayers' equity for 2023-24		
Balance at 01 April 2023	(58,397)	(58,397)
Net operating expenditure for the financial year	(1,314,621)	(1,314,621)
Net funding	1,317,523	1,317,523
Balance at 31 March 2024	<u>(55,495)</u>	<u>(55,495)</u>

	General fund £'000	Total reserves £'000
Changes in taxpayers' equity for 2022-23		
Balance at 01 July 2022	0	0
Transfers by absorption to (from) other bodies	(40,022)	(40,022)
Net operating costs for the financial year	(942,759)	(942,759)
Net funding	924,384	924,384
Balance at 31 March 2023	<u>(58,397)</u>	<u>(58,397)</u>

The notes on pages 1 to 26 form part of this statement

The 2022-23 comparatives are for the nine month period from 1 July 2022 to 31 March 2023

Statement of Cash Flows for the year ended 31 March 2024

	Note	2023-24 £'000	2022-23 £'000
Cash Flows from Operating Activities			
Comprehensive Net Expenditure for the year		(1,314,621)	(942,759)
Depreciation and amortisation	5	493	385
Movement due to transfer by Modified Absorption		0	(38,150)
Interest paid / received	8	10	10
Other Gains & Losses	7	0	4
(Increase)/decrease in inventories	11	2	(2)
(Increase)/decrease in trade & other receivables	12	(10,241)	(3,460)
Increase/(decrease) in trade & other payables	14	6,146	61,731
Provisions utilised	15	(337)	(325)
Increase/(decrease) in provisions	15	1,568	308
Net Cash Inflow (Outflow) from Operating Activities		(1,316,980)	(922,258)
Cash Flows from Investing Activities			
(Payments) for property, plant and equipment	9	(116)	(66)
Net Cash Inflow (Outflow) from Investing Activities		(116)	(66)
Net Cash Inflow (Outflow) before Financing		(1,317,096)	(922,324)
Cash Flows from Financing Activities			
Grant in Aid Funding Received		1,317,523	924,384
Repayment of lease liabilities	10	(424)	(424)
Net Cash Inflow (Outflow) from Financing Activities		1,317,099	923,960
Net Increase (Decrease) in Cash & Cash Equivalents	13	3	1,636
Cash & Cash Equivalents at the Beginning of the Financial Year		43	(1,593)
Cash & Cash Equivalents (including bank overdrafts) at the End of the Financial Year		46	43

The notes on pages 1 to 26 form part of this statement

The 2022-23 comparatives are for the nine month period from 1 July 2022 to 31 March 2023

Notes to the financial statements

1 Accounting Policies

NHS England has directed that the financial statements of Integrated Care Boards (ICBs) shall meet the accounting requirements of the Group Accounting Manual issued by the Department of Health and Social Care. Consequently, the following financial statements have been prepared in accordance with the Group Accounting Manual 2023-24 (GAM) issued by the Department of Health and Social Care. The accounting policies contained in the Group Accounting Manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to Integrated Care Boards, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the Group Accounting Manual permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the ICB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the ICB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Going Concern

These accounts have been prepared on a going concern basis.

Public sector bodies are assumed to be a going concern where the continuation of the provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

The financial statements for ICBs are prepared on a going concern basis as they will continue to provide the services in the future.

1.2 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.3 Movement of Assets within the Department of Health and Social Care Group

As Public Sector Bodies are deemed to operate under common control, business reconfigurations within the Department of Health and Social Care Group are outside the scope of IFRS 3 Business Combinations. Where functions transfer between two public sector bodies, the Department of Health and Social Care GAM requires the application of absorption accounting. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive Net Expenditure, and is disclosed separately from operating costs.

Other transfers of assets and liabilities within the Department of Health and Social Care Group are accounted for in line with IAS 20 and similarly give rise to income and expenditure entries.

1.4 Joint Arrangements

Joint operations are arrangements in which the ICB has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The ICB includes within its financial statements its share of the assets, liabilities, income and expenses.

The pooled budget agreements that NHS Somerset ICB holds with Somerset Council (as mentioned in Note 1.5) are joint operations, with the exception of the Better Care Fund.

1.5 Pooled Budgets

The ICB has entered into a pooled budget arrangement with Somerset Council (in accordance with section 75 of the NHS Act 2006). Under the arrangement, funds are pooled for learning disability services, community equipment and wheelchair provision, carers services and the Better Care Fund and a memorandum note to the accounts provides details of the income and expenditure.

The pool is hosted by Somerset Council. The ICB accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

1.6 Operating Segments

Income and expenditure are analysed in the Operating Segments note and are reported in line with management information used within the ICB.

1.7 Revenue

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows:

- As per paragraph 121 of the Standard, the ICB will not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less.
- The ICB is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date.
- The FReM has mandated the exercise of the practical expedient offered in C7(a) of the Standard that requires the ICB to reflect the aggregate effect of all contracts modified before the date of initial application.

The main source of funding for the ICBs is from NHS England. This is drawn down and credited to the general fund. Funding is recognised in the period in which it is received.

Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer, and is measured at the amount of the transaction price allocated to that performance obligation.

IFRS 15 is applicable to revenue in respect of dental and prescription charges in line with the adaptation in IFRS 15 which states that the definition of a contract includes revenue received under legislation and regulations. Revenue for these charges is recognised when the performance event occurs, such as the issue of a prescription or payment for dental treatment.

Where income is received for a specific performance obligation that is to be satisfied in the following year, that income is deferred.

Payment terms are standard reflecting cross government principles. Payment terms are within fourteen days of invoice date.

The value of the benefit received when the ICB accesses funds from the Government's apprenticeship service are recognised as income in accordance with IAS 20, Accounting for Government Grants. Where these funds are paid directly to an accredited training provider, non-cash income and a corresponding non-cash training expense are recognised, both equal to the cost of the training funded.

1.8 Employee Benefits

1.8.1 Short-term Employee Benefits

Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, are recognised in the period in which the service is received from employees, including bonuses earned but not yet taken.

The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.8.2 Retirement Benefit Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the ICB commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

1.9 Other Expenses

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.10 Grants Payable

Where grant funding is not intended to be directly related to activity undertaken by a grant recipient in a specific period, the ICB recognises the expenditure in the period in which the grant is paid. All other grants are accounted for on an accruals basis.

1.11 **Property, Plant & Equipment**

1.11.1 **Recognition**

Property, plant and equipment is capitalised if:

- It is held for use in delivering services or for administrative purposes;
- It is probable that future economic benefits will flow to, or service potential will be supplied to the ICB;
- It is expected to be used for more than one financial year;
- The cost of the item can be measured reliably; and,
- The item has a cost of at least £5,000; or,
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or,
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.11.2 **Measurement**

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use; and,
- Specialised buildings – depreciated replacement cost.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful economic lives, low values or both, as this is not considered to be materially different from current value in existing use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Net Expenditure.

1.11.3 **Subsequent Expenditure**

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1.12 **Intangible Assets**

1.12.1 **Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the ICB's business or which arise from contractual or other legal rights. They are recognised only:

- When it is probable that future economic benefits will flow to, or service potential be provided to, the ICB;
- Where the cost of the asset can be measured reliably; and,
- Where the cost is at least £5,000.

Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised but is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use;
- The intention to complete the intangible asset and use it;
- The ability to sell or use the intangible asset;
- How the intangible asset will generate probable future economic benefits or service potential;
- The availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and,
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.12.2 **Measurement**

Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred. Expenditure on development is capitalised when it meets the requirements set out in IAS 38. Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost or the value in use where the asset is income generating. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances. Revaluations and impairments are treated in the same manner as for property, plant and equipment.

1.12.3 **Depreciation, Amortisation & Impairments**

Freehold land, properties under construction, and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the ICB expects to obtain economic benefits or service potential from the asset. This is specific to the ICB and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful life.

At each reporting period end, the ICB checks whether there is any indication that any of its property, plant and equipment assets or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.13 **Government Grant Funded Assets**

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.14 Leases

A lease is a contract, or part of a contract, that conveys the right to control the use of an asset for a period of time in exchange for consideration.

The ICB assesses whether a contract is or contains a lease, at inception of the contract.

1.14.1 The ICB as Lessee

A right-of-use asset and a corresponding lease liability are recognised at commencement of the lease.

The lease liability is initially measured at the present value of the future lease payments, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the prescribed HM Treasury discount rates are used as the incremental borrowing rate to discount future lease payments.

The HM Treasury incremental borrowing rate of 3.51% is applied for leases commencing, transitioning or being remeasured in the 2023 calendar year; and 4.72% to new leases commencing in 2024 under IFRS 16.

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments;
- Variable lease payments dependent on an index or rate, initially measured using the index or rate at commencement;
- The amount expected to be payable under residual value guarantees;
- The exercise price of purchase options, if it is reasonably certain the option will be exercised; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

The lease liability is subsequently measured by increasing the carrying amount for interest incurred using the effective interest method and decreasing the carrying amount to reflect the lease payments made. The lease liability is remeasured, with a corresponding adjustment to the right-of-use asset, to reflect any reassessment of, or modification made to the lease.

The right-of-use asset is initially measured at an amount equal to the initial lease liability adjusted for any lease prepayments or incentives, initial direct costs or an estimate of any dismantling, removal or restoring costs relating to either restoring the location of the asset or restoring the underlying asset itself, unless costs are incurred to produce inventories.

The subsequent measurement of the right-of-use asset is consistent with the principles for subsequent measurement of property, plant and equipment. Accordingly, right-of-use assets that are held for their service potential and are in use are subsequently measured at their current value in existing use.

Right-of-use assets for leases that are low value or short term and for which current value in use is not expected to fluctuate significantly due to changes in market prices and conditions are valued at depreciated historical cost as a proxy for current value in existing use.

Other than leases for assets under construction and investment property, the right-of-use asset is subsequently depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The right-of-use asset is tested for impairment if there are any indicators of impairment and impairment losses are accounted for as described in the 'Depreciation, amortisation and impairments' policy.

Peppercorn leases are defined as leases for which the consideration paid is nil or nominal (that is, significantly below market value). Peppercorn leases are in the scope of IFRS 16 if they meet the definition of a lease in all aspects apart from containing consideration.

For peppercorn leases a right-of-use asset is recognised and initially measured at current value in existing use. The lease liability is measured in accordance with the above policy. Any difference between the carrying amount of the right-of-use asset and the lease liability is recognised as income as required by IAS 20 as interpreted by the FRM. Leases of low value assets (value when new less than £5,000) and short-term leases of 12 months or less are recognised as an expense on a straight-line basis over the term of the lease.

1.15 Cash & Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the ICB's cash management.

1.16 Provisions

Provisions are recognised when the ICB has a present legal or constructive obligation as a result of a past event, it is probable that the ICB will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate as follows:

All general provisions are subject to four separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date.

This includes a nominal short-term rate of 4.26% (2022-23: 3.27%) for inflation adjusted expected cash flows up to and including 5 years from Statement of Financial Position date.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the ICB has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with on-going activities of the entity.

1.17 Clinical Negligence Costs

NHS Resolution operates a risk pooling scheme under which the ICB pays an annual contribution to NHS Resolution, which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with ICB.

1.18 Non-clinical Risk Pooling

The ICB participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the ICB pays an annual contribution to the NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

1.19 Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the ICB, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the ICB. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

1.20 Financial Assets

Financial assets are recognised when the ICB becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are classified into the following categories:

- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income and;
- Financial assets at fair value through profit and loss.

The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

1.20.1 **Financial Assets at Amortised Cost**

Financial assets measured at amortised cost are those held within a business model whose objective is achieved by collecting contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most trade receivables and other simple debt instruments. After initial recognition these financial assets are measured at amortised cost using the effective interest method less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

1.20.2 **Financial Assets at Fair Value Through Other Comprehensive Income**

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the ICB elected to measure an equity instrument in this category on initial recognition.

1.20.3 **Financial Assets at Fair Value Through Profit and Loss**

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

1.20.4 **Impairment of Financial Assets**

For all financial assets measured at amortised cost or at fair value through other comprehensive income (except equity instruments designated at fair value through other comprehensive income), lease receivables and contract assets or assets measured at fair value through other comprehensive income, the ICB recognises a loss allowance representing the expected credit losses on the financial asset.

The ICB adopts the simplified approach to impairment in accordance with IFRS 9, and measures the loss allowance for trade receivables, lease receivables and contract assets at an amount equal to lifetime expected credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2) and otherwise at an amount equal to 12 month expected credit losses (stage 1).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds and Exchequer Funds assets where repayment is ensured by primary legislation. The ICB therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's lengths bodies and NHS bodies and the ICB does not recognise allowances for stage 1 or stage 2 impairments against these bodies.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

1.21 **Financial Liabilities**

Financial liabilities are recognised on the statement of financial position when the ICB becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.22 **Value Added Tax**

Most of the activities of the ICB are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.23 **Foreign Currencies**

The ICB's functional currency and presentational currency is pounds sterling and amounts are presented in thousands of pounds unless expressly stated otherwise. NHS Somerset ICB does not have any exposure to foreign currencies.

1.24 Losses & Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the ICB not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

1.25 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the ICB's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

1.25.1 Critical Accounting Judgements in Applying Accounting Policies

No critical judgments with a significant effect on the amounts recognised in the financial statements were required.

1.26 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

1.27 New and revised IFRS Standards in issue but not yet effective

- IFRS 14 Regulatory Deferral Accounts – Not UK-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore, not applicable to Department of Health and Social Care (DHSC) group bodies.
- IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021. Standard is not yet adopted by the FReM which is expected to be April 2025: early adoption is not therefore
- IFRS 18 Presentation and Disclosure in Financial Statements – was issued in April 2024 and applies to an annual reporting period beginning on or after 1 January 2027. This standard is not yet adopted by the FReM and early adoption is not therefore permitted.

2. Other Operating Revenue

	2023-24	2022-23
	Total	Total
	£'000	£'000
Income from sale of goods and services (contracts)		
Education, training and research	690	720
Non-patient care services to other bodies	844	1,080
Prescription fees and charges	6,061	0
Dental fees and charges	5,448	0
Other Contract income	104	68
Total Income from sale of goods and services	13,147	1,868
Other operating income		
Non cash apprenticeship training grants revenue	49	34
Other non contract revenue	2,606	466
Total Other operating income	2,655	500
Total Operating Income	15,802	2,368

The 2022-23 comparatives are for the nine month period from 1 July 2022 to 31 March 2023

Prescription fees and charges - NHS Somerset ICB took on delegated commissioning responsibility for pharmacy services in Somerset from 1 April 2023 and therefore 2023/24 is the first year that we have been in receipt of prescription fees and charges.

Dental fees and charges - NHS Somerset ICB took on delegated commissioning responsibility for dental services in Somerset from 1 April 2023 and therefore 2023/24 is the first year that we have been in receipt of dental fees and charges.

3. Disaggregation of Revenue

	Education, training and research	Non-patient care services to other bodies	Prescription fees and charges	Dental fees and charges	Other Contract income
	£'000	£'000	£'000	£'000	£'000
Source of Revenue					
NHS	688	0	0	0	8
Non NHS	2	844	6,061	5,448	96
Total	690	844	6,061	5,448	104

	Education, training and research	Non-patient care services to other bodies	Prescription fees and charges	Dental fees and charges	Other Contract income
	£'000	£'000	£'000	£'000	£'000
Timing of Revenue					
Point in time	690	844	6,061	5,448	104
Over time	0	0	0	0	0
Total	690	844	6,061	5,448	104

4. Employee benefits and staff numbers

4.1. Employee benefits

	Total		2023-24
	Permanent Employees £'000	Other £'000	Total £'000
Employee Benefits			
Salaries and wages	15,155	1,063	16,218
Social security costs	1,699	51	1,750
Employer Contributions to NHS Pension scheme	2,932	56	2,988
Other pension costs	1	0	1
Apprenticeship Levy	63	0	63
Termination benefits	102	0	102
Gross employee benefits expenditure	19,952	1,170	21,122

	Total		2022-23
	Permanent Employees £'000	Other £'000	Total £'000
Employee Benefits			
Salaries and wages	9,334	975	10,309
Social security costs	1,107	58	1,165
Employer Contributions to NHS Pension scheme	1,729	61	1,790
Other pension costs	1	0	1
Apprenticeship Levy	37	0	37
Termination benefits	160	0	160
Gross employee benefits expenditure	12,368	1,094	13,462

4.2. Average number of people employed

	2023-24			2022-23		
	Permanently employed Number	Other Number	Total Number	Permanently employed Number	Other Number	Total Number
Total	304	11	315	256	16	272

4.4 Exit packages agreed in the financial year

	2023-24		2023-24		2023-24	
	Compulsory redundancies		Other agreed departures		Total	
	Number	£	Number	£	Number	£
Less than £10,000	-	-	-	-	-	-
£10,001 to £25,000	1	14,991	2	38,014	3	53,005
£25,001 to £50,000	-	-	1	49,010	1	49,010
£50,001 to £100,000	-	-	-	-	-	-
£100,001 to £150,000	-	-	-	-	-	-
£150,001 to £200,000	-	-	-	-	-	-
Over £200,001	-	-	-	-	-	-
Total	1	14,991	3	87,024	4	102,015

	2022-23		2022-23		2022-23	
	Compulsory redundancies		Other agreed departures		Total	
	Number	£	Number	£	Number	£
Less than £10,000	-	-	-	-	-	-
£10,001 to £25,000	-	-	-	-	-	-
£25,001 to £50,000	-	-	-	-	-	-
£50,001 to £100,000	-	-	-	-	-	-
£100,001 to £150,000	-	-	-	-	-	-
£150,001 to £200,000	1	160,000	-	-	1	160,000
Over £200,001	-	-	-	-	-	-
Total	1	160,000	-	-	1	160,000

Analysis of Other Agreed Departures

	2023-24		2022-23	
	Other agreed departures		Other agreed departures	
	Number	£	Number	£
Voluntary redundancies including early retirement contractual costs	1	49,010	-	-
Mutually agreed resignations (MARS) contractual costs	1	23,676	-	-
Contractual payments in lieu of notice	1	14,338	-	-
Total	3	87,024	-	-

This table reports the number and value of exit packages agreed in the financial period. The expense associated with these departures may have been recognised in part or in full in a previous period.

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Terms and Conditions of Service Handbook and are in line with statutory requirements.

Exit costs are accounted for in accordance with relevant accounting standards and at the latest in full in the year of departure.

4.5 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

4.5.1 Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

4.5.2 Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.3%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

5. Operating expenses

	2023-24 Total £'000	2022-23 Total £'000
Purchase of goods and services		
Services from other ICBs and NHS England	4,235	3,057
Services from foundation trusts	867,957	589,189
Services from other NHS trusts	17,020	7,481
Services from Other WGA bodies	31	20
Purchase of healthcare from non-NHS bodies	87,562	129,578
Purchase of social care	47,402	36,175
General Dental services and personal dental services	19,673	0
Prescribing costs	103,836	76,298
Pharmaceutical services	17,618	0
General Ophthalmic services	5,830	408
GPMS/APMS and PCTMS	124,421	82,868
Supplies and services – clinical	45	25
Supplies and services – general	643	659
Consultancy services	269	271
Establishment	2,589	932
Transport	4,940	2,968
Premises	714	169
Audit fees	228	273
Other non statutory audit expenditure - Other Services	84	18
Other professional fees	815	95
Legal fees	199	133
Education, training and conferences	914	215
Non cash apprenticeship training grants	49	34
Total Purchase of goods and services	1,307,074	930,866
Depreciation and impairment charges		
Depreciation	493	385
Total Depreciation and impairment charges	493	385
Provision expense		
Provisions	1,568	308
Total Provision expense	1,568	308
Other Operating Expenditure		
Chair and Non Executive Members	122	85
Clinical negligence	7	7
Research and development (excluding staff costs)	25	0
Inventories consumed	2	0
Total Other Operating Expenditure	156	92
Total operating expenditure, excluding staff costs	1,309,291	931,651

The 2022-23 comparatives are for the nine month period from 1 July 2022 to 31 March 2023

1. External Audit Fees Net of VAT total £190,225 for the period 1 April 2023 to 31 March 2024.
2. The auditor's liability for external audit work carried out for the financial year 2023/24 is limited to £1,000,000.
3. Internal Audit - As Internal Audit is carried out by a different organisation to our Statutory Audit, the Department of Health guidance is to show Internal Audit costs in 'Other professional fees'.
4. The £84,000 included for other non-statutory audit expenditure includes fees of £42,000 (including VAT) paid for the 2022/23 Mental Health Investment Standard (MHIS) review work completed and paid in 2023/24, and an accrual of £42,000 (including VAT) for the 2023/24 MHIS review work, for which an engagement letter has not yet been signed.
5. NHS Somerset ICB was in receipt of funding totalling £57,089k from S256 agreements held with Somerset Council during 2023/24. This is shown as negative expenditure within the purchase of healthcare from non-NHS bodies above.

6. Better Payment Practice Code

Measure of compliance	2023-24 Number	2023-24 £'000	2022-23 Number	2022-23 £'000
Non-NHS Payables				
Total Non-NHS Trade invoices paid in the Year	20,757	347,770	6,915	170,548
Total Non-NHS Trade Invoices paid within target	20,750	347,458	6,915	170,548
Percentage of Non-NHS Trade invoices paid within target	99.97%	99.91%	100.00%	100.00%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	837	893,150	725	602,741
Total NHS Trade Invoices Paid within target	837	893,150	725	602,741
Percentage of NHS Trade Invoices paid within target	100.00%	100.00%	100.00%	100.00%

7. Other gains and losses

	2023-24 £'000	2022-23 £'000
Gain/(loss) on disposal of property, plant and equipment assets other than by sale	0	4
	0	4

8. Finance costs

	2023-24 £'000	2022-23 £'000
Interest on lease liabilities	10	10
	10	10

9. Property, plant and equipment

	Information technology £'000	Furniture & fittings £'000	Total £'000
Cost or valuation at 01 April 2023	568	114	682
Additions purchased	116	0	116
Disposals other than by sale	(205)	0	(205)
Cost/Valuation at 31 March 2024	479	114	593
Depreciation 01 April 2023	380	107	487
Disposals other than by sale	(205)	0	(205)
Charged during the year	56	3	59
Depreciation at 31 March 2024	231	110	341
Net Book Value at 31 March 2024	248	4	252
Purchased	248	4	252
Total at 31 March 2024	248	4	252
Asset financing:			
Owned	248	4	252
Total at 31 March 2024	248	4	252

9.1. Economic lives

	Minimum Life (years)	Maximum Life (Years)
Information technology	5	7
Furniture & fittings	7	10

10. Leases**10.1. Right-of-use assets**

	Buildings excluding dwellings £'000	Total £'000
Cost or valuation at 01 April 2023	1,663	1,663
Cost/Valuation at 31 March 2024	1,663	1,663
Depreciation 01 April 2023	434	434
Charged during the year	434	434
Depreciation at 31 March 2024	868	868
Net Book Value at 31 March 2024	795	795
Net Book Value by counterparty		
Leased from NHS Property Services		795
Net Book Value at 31 March 2024		795

10.2. Lease liabilities

	2023-24 £'000	2022-23 £'000
Lease liabilities at 01 April 2023	(1,253)	0
Reclassifications	0	31
Interest expense relating to lease liabilities	(10)	(10)
Repayment of lease liabilities (including interest)	424	424
Transfer (to) from other public sector body	0	(1,698)
Lease liabilities at 31 March 2024	(839)	(1,253)
Balance by counterparty		
Leased from NHS Property Services	(839)	(1,253)
	(839)	(1,253)

10.3. Lease liabilities - Maturity analysis of undiscounted future lease payments

	2023-24 £'000	2022-23 £'000
Within one year	(423)	(423)
Between one and five years	(423)	(847)

10.4. Amounts recognised in Statement of Comprehensive Net Expenditure

	2023-24 £'000	2022-23 £'000
Depreciation expense on right-of-use assets	434	325
Interest expense on lease liabilities	10	10

10.5. Amounts recognised in Statement of Cash Flows

	2023-24 £'000	2022-23 £'000
Total cash outflow on leases under IFRS 16	424	424

11. Inventories**Balance at 01 April 2023**

Inventories recognised as an expense in the period

Balance at 31 March 2024

Energy £'000	Total £'000
2	2
(2)	(2)
0	0

12.1. Trade and other receivables

	Current 2023-24 £'000	Non-current 2023-24 £'000	Current 2022-23 £'000	Non-current 2022-23 £'000
NHS receivables: Revenue	875	0	1,303	0
NHS prepayments	70	0	86	0
NHS accrued income	2,206	0	1,008	0
Non-NHS and Other WGA receivables: Revenue	300	0	105	0
Non-NHS and Other WGA prepayments	338	0	273	0
Non-NHS and Other WGA accrued income	674	0	476	0
Non-NHS and Other WGA Contract Receivable not yet invoiced/non-invoiced	8,972	0	0	0
VAT	266	0	209	0
Total Trade & other receivables	13,701	0	3,460	0
Total current and non current	13,701		3,460	

12.2. Receivables past their due date but not impaired

	2023-24 DHSC Group Bodies £'000	2023-24 Non DHSC Group Bodies £'000	2022-23 DHSC Group Bodies £'000	2022-23 Non DHSC Group Bodies £'000
By up to three months	10	51	1,302	13
By three to six months	0	32	0	1
By more than six months	32	1	0	7
Total	42	84	1,302	21

13. Cash and cash equivalents**Balance at 01 April 2023**

Net change in year

Balance at 31 March 2024

2023-24 £'000	2022-23 £'000
43	0
3	43
46	43

Made up of:

Cash with the Government Banking Service

Cash and cash equivalents as in statement of financial position

2023-24 £'000	2022-23 £'000
46	43
46	43

Balance at 31 March 2024**14. Trade and other payables**

	Current 2023-24 £'000	Non-current 2023-24 £'000	Current 2022-23 £'000	Non-current 2022-23 £'000
NHS payables: Revenue	1,096	0	750	0
NHS accruals	2,869	0	5,116	0
Non-NHS and Other WGA payables: Revenue	10,104	0	7,827	0
Non-NHS and Other WGA accruals	43,351	0	39,105	0
Social security costs	232	0	175	0
Tax	219	0	148	0
Other payables and accruals	10,006	0	8,610	0
Total Trade & Other Payables	67,877	0	61,731	0
Total current and non-current	67,877		61,731	

Other payables include £1,043,322 outstanding pension contributions at 31 March 2024.

15. Provisions

	Current 2023-24 £'000	Non-current 2023-24 £'000	Current 2022-23 £'000	Non-current 2022-23 £'000
Redundancy	1,064	0	39	0
Legal claims	15	0	0	0
Continuing care	494	0	303	0
Total	1,573	0	342	0
Total current and non-current	1,573		342	

	Redundancy £'000	Legal Claims £'000	Continuing Care £'000	Total £'000
Balance at 01 April 2023	39	0	303	342
Arising during the year	1,064	15	494	1,573
Utilised during the year	(39)	0	(298)	(337)
Reversed unused	(0)	0	(5)	(5)
Balance at 31 March 2024	1,064	15	494	1,573

Expected timing of cash flows:

Within one year	1,064	15	494	1,573
Balance at 31 March 2024	1,064	15	494	1,573

The above is based on information currently held by NHS Somerset ICB.

The redundancy provision included above is an assessment of potential cost commitments for ICB Staff at risk of redundancy.

The legal provision included above is an assessment of potential cost commitments due ongoing organisational restructure and staffing consultation process.

The 'Continuing Care' provision is an assessment of continuing care cases which are currently being reviewed by the Integrated Care Board's assessment panel. This has been based on the best professional judgement in line with IAS37. All of the cases awaiting panel have been provided for and the calculation has been based on estimated cost and the probability of success. The probability factor applied is based on success rates in the current financial year. A contingent liability in respect of this provision is shown in note 16.

16. Contingencies

Contingent liabilities

	2023-24 £'000	2022-23 £'000
Continuing Healthcare	91	71
Net value of contingent liabilities	91	71

There are no contingent assets.

17. Financial instruments

17.1. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities.

Because NHS Somerset Integrated Care Board is financed through parliamentary funding, it is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Somerset Integrated Care Board has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Somerset Integrated Care Board in undertaking its activities.

Treasury management operations are carried out by the finance department, within parameters defined formally within the NHS Somerset Integrated Care Board standing financial instructions and policies agreed by the ICB Board. Treasury activity is subject to review by the NHS Somerset Integrated Care Board and internal auditors.

17.1.1. Currency risk

The NHS Somerset Integrated Care Board is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The NHS Somerset Integrated Care Board has no overseas operations and therefore has low exposure to currency rate fluctuations.

17.1.2. Interest rate risk

The NHS Somerset Integrated Care Board borrows from government for capital expenditure, subject to affordability as confirmed by NHS England. The borrowings are for 1 to 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The NHS Somerset Integrated Care Board therefore has low exposure to interest rate fluctuations.

17.1.3. Credit risk

Because the majority of the NHS Somerset Integrated Care Board revenue comes from parliamentary funding, NHS Somerset Integrated Care Board has low exposure to credit risk. The maximum exposures as at the end of the financial year are in receivables from customers, as disclosed in the trade and other receivables note.

17.1.4. Liquidity risk

NHS Somerset Integrated Care Board is required to operate within revenue and capital resource limits, which are financed from resources voted annually by Parliament. The NHS Somerset Integrated Care Board draws down cash to cover expenditure, as the need arises. The NHS Somerset Integrated Care Board is not, therefore, exposed to significant liquidity risks.

17.1.5. Financial Instruments

As the cash requirements of NHS Somerset Integrated Care Board are met through the Estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with NHS Somerset Integrated Care Board's expected purchase and usage requirements and NHS Somerset Integrated Care Board is therefore exposed to little credit, liquidity or market risk.

17. Financial instruments cont'd

17.2. Financial assets

	Financial Assets measured at amortised cost 2023-24 £'000	Total 2023-24 £'000
Trade and other receivables with NHSE bodies	2,963	2,963
Trade and other receivables with other DHSC group bodies	605	605
Trade and other receivables with external bodies	9,459	9,459
Cash and cash equivalents	46	46
Total at 31 March 2024	13,073	13,073

17.3. Financial liabilities

	Financial Liabilities measured at amortised cost 2023-24 £'000	Total 2023-24 £'000
Trade and other payables with NHSE bodies	1,056	1,056
Trade and other payables with other DHSC group bodies	2,914	2,914
Trade and other payables with external bodies	64,296	64,296
Total at 31 March 2024	68,266	68,266

18. Operating segments

	Gross expenditure £'000	Income £'000	Net expenditure £'000	Total assets £'000	Total liabilities £'000	Net assets £'000
NHS Somerset Integrated Care Board	1,330,423	(15,802)	1,314,621	14,794	(70,289)	(55,495)
Total	1,330,423	(15,802)	1,314,621	14,794	(70,289)	(55,495)

19. Joint arrangements - interests in joint operations

NHS Somerset Integrated Care Board is party to a number of pooled budget agreements with Somerset Council. Under these arrangements funds are pooled under S75 of the Health Act 2006 for the provision of the following services;

- Community Equipment and Wheelchair Services
- Carers Services
- Learning Disability Services
- The Better Care Fund (not treated as a Joint Operation)

The pool is hosted by Somerset Council and, as a commissioner of healthcare services, the ICB makes contributions to the pool. NHS Somerset Integrated Care Board accounts for its share of the assets, liabilities, income and expenditure as determined by the pooled budget agreement.

NHS Somerset Integrated Care Board's share of the income and expenditure handled by the pooled budget were as follows:

Name of arrangement	Parties to the arrangement	Description of principal activities	Expenditure recognised in Entities books ONLY	
			2023-24 £'000	2022-23 £'000
Integrated Community Equipment and Wheelchair Service Pooled Fund	NHS Somerset Integrated Care Board and Somerset Council	Purchase healthcare equipment services	3,918	2,391
Carers Services Pooled Fund	NHS Somerset Integrated Care Board and Somerset Council	Purchase Carers services	249	195
Learning Disability Service Pooled Fund	NHS Somerset Integrated Care Board and Somerset Council	Purchase Learning Disability services	29,511	19,062
Better Care Fund	NHS Somerset Integrated Care Board and Somerset Council	Purchase health and social care services	51,925*	38,519**

* Excludes £203,500 included within Carers Pooled Budget figure

** Excludes £152,625 included within Carers Pooled Budget figure

20. Related party transactions

Details of related party transactions with individuals are as follows:

2023/24 - 1 April 2023 to 31 March 2024	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£ '000	£ '000	£ '000	£ '000
Berge Balian , Primary Care Partner Member is a member of Somerset Local Medical Committee representing the South Somerset Constituency (transactions disclosed for Somerset Local Medical Committee)	538	(540)	0	0
Berge Balian , Primary Care Partner Member is a Clinical Director (joint role) of South Somerset West Primary Care Network (transactions disclosed for South Somerset West Primary Care Network (PCN))	1,027	0	0	0
Berge Balian , Primary Care Partner Member is a Medical Director of Symphony Healthcare Services (transactions disclosed for Symphony Healthcare Services and related practices)	31,486	0	(10)	0
Berge Balian , Member of NHS Somerset Primary Care Commissioning Committee (transactions disclosed for Primary Care Commissioning CIC)	6	0	0	0
Jonathan Higman , ICB Chief Executive is a Non-Executive Director, South West Academic Health Science Network (transactions disclosed for South West Academic Health Science Network)	834	(12)	(24)	0
Bernie Marden , Chief Medical Officer is an Associate Board Member of Sulis Hospital, Bath (subsidiary of RUH) (01/09/2022-01/09/2023) (transactions disclosed for Sulis Hospital, Bath)	3,576	0	0	126
Peter Lewis , Member of the NHS Confederation (transactions disclosed for NHS Confederation)	27	0	(20)	0
Caroline Gamlin , Spouse is GP partner and Director of Pier Health (transactions disclosed for Pier Health PCN)	20	0	0	0
Grahame Paine , Non-Executive Director is Chair of Trustee Board, SPARK Somerset (transactions disclosed for SPARK Somerset)	400	0	(60)	0
Katherine Nolan , Chief executive, SPARK Somerset, (transactions disclosed for SPARK Somerset)				

Note

In formulating this note the Integrated Care Board has considered all declarations of interest for Board Members.

Under IAS24, related party transactions have only been disclosed where they meet the following criteria:

- (i) have control or joint control over the reporting entity;
- (ii) have significant influence over the reporting entity; or
- (iii) are a member of the key management personnel

The Register of Interests can be found on our website <https://nhssomerset.nhs.uk/lists-and-registers/>

The Department of Health and Social Care is the parent department of NHS Somerset ICB. During the year the Integrated Care Board has had a significant number of material transactions with other entities for which the Department is regarded as the parent Department. For example:

NHS England

South, Central and West Commissioning Support Unit

NHS FOUNDATION TRUSTS

Dorset County Hospital NHS Foundation Trust

Royal Devon University Healthcare NHS Foundation Trust

Royal United Hospitals Bath NHS Foundation Trust

Salisbury NHS Foundation Trust

Somerset NHS Foundation Trust

South Western Ambulance Service NHS Foundation Trust

University Hospitals Bristol and Weston NHS Foundation Trust

Yeovil District Hospital NHS Foundation Trust

NHS TRUSTS

North Bristol NHS Trust

In addition, the Integrated Care Board has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Somerset Council, NHS Property Services Limited, National Insurance Fund, NHS Pension Scheme and His Majesty's Revenue and Customs.

21. Financial performance targets

NHS Somerset Integrated Care Board have a number of financial duties under the NHS Act 2006 (as amended). NHS Somerset Integrated Care Board performance against those duties was as follows:

	2023-24 Target £'000	2023-24 Performance £'000	2022-23 Target £'000	2022-23 Performance £'000
Expenditure not to exceed income	1,330,539	1,330,539	945,307	945,307
Capital resource use does not exceed the amount specified in Directions	116	116	180	66
Revenue resource use does not exceed the amount specified in Directions	1,314,621	1,314,621	942,759	942,759
Capital resource use on specified matter(s) does not exceed the amount specified in Directions	0	0	0	0
Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	0	0	0	0
Revenue administration resource use does not exceed the amount specified in Directions	13,513	13,466	9,033	8,538

22. Net gain/(loss) on transfer by absorption

The Health and Social Care Act was introduced into the House of Commons on 6 July 2021. The Act allowed for the establishment of Integrated Care Boards (ICB) across England and abolished Clinical Commissioning Groups (CCG). ICBs took on the commissioning functions of CCGs. The CCG functions, assets and liabilities were transferred to an ICB on 1 July 2022 using absorption accounting in accordance with the DHSC Accounting Manual.

For transfers of assets and liabilities from those bodies that closed on 30 June 2022 a modified absorption approach is applied. For these transactions only, gains and losses are recognised in reserves rather than the Statement of Comprehensive Net Expenditure.

There was no gain or loss on transfer. The breakdown of the assets and liabilities transferred are set out below.

	2023-24		2022-23	
	NHS England Group Entities (non parent) £'000	Total £'000	NHS England Group Entities (non parent) £'000	Total £'000
Transfer of property plant and equipment	0	0	193	193
Transfer of Right of Use assets	0	0	1,585	1,585
Transfer of inventories	0	0	2	2
Transfer of receivables	0	0	3,379	3,379
Transfer of payables	0	0	(41,531)	(41,531)
Transfer of provisions	0	0	(359)	(359)
Transfer of Right Of Use liabilities	0	0	(1,698)	(1,698)
Transfer of borrowings	0	0	(1,593)	(1,593)
	0	0	(40,022)	(40,022)