

<b>REPORT TO:</b>	NHS SOMERSET INTEGRATED CARE BOARD ICB Board Part A	<b>ENCLOSURE:</b>
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<b>DATE OF MEETING:</b>	30 January 2025	
<b>REPORT TITLE:</b>	NHS Somerset Finance Report – Month 8 2024/25	
<b>REPORT AUTHOR:</b>	Scott Sealey, Deputy Chief Finance Officer and Deputy Director of Performance and Contracting	
<b>EXECUTIVE SPONSOR:</b>	Alison Henly, Chief Finance Officer and Director of Performance and Contracting	
<b>PRESENTED BY:</b>	Scott Sealey, Deputy Chief Finance Officer and Deputy Director of Performance and Contracting	

PURPOSE	DESCRIPTION	SELECT (Place an 'X' in relevant box(es) below)
<b>Approve</b>	To formally receive a report and approve its recommendations, (authorising body/committee for the final decision)	
<b>Endorse</b>	To support the recommendation (not the authorising body/committee for the final decision)	
<b>Discuss</b>	To discuss, in depth, a report noting its implications	
<b>Note</b>	To note, without the need for discussion	
<b>Assurance</b>	To assure the Board/Committee that systems and processes are in place, or to advise of a gap along with mitigations	X

PREVIOUS CONSIDERATION/ENGAGEMENT
ICB Finance Committee

<b>SELECT</b> (Place an 'X' in relevant box(es) below)	<b>LINKS TO STRATEGIC OBJECTIVES</b> (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
X	Objective 7: Enhance productivity and value for money

**PREVIOUS CONSIDERATION / ENGAGEMENT**

ICB Finance Committee.

**REPORT TO COMMITTEE / BOARD**

The enclosed paper provides an update summarising the NHS Somerset Integrated Care System financial position for the 2024/25 financial year as at 30 November 2024.

This report provides an analysis of financial performance across the following areas:

- Summary of NHS Somerset Financial Position
- Summary of Organisational Financial Positions
- NHS Somerset System Capital
- Summary of Somerset Council Financial Position

The Integrated Care Board is asked to note the report for assurance of the NHS Somerset ICS financial position.

**Impact Assessments – key issues identified  
(please enter ‘N/A’ where not applicable)**

<b>Reducing Inequalities/Equality &amp; Diversity</b>	Financial decisions are made with 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 in it.
<b>Quality</b>	Financial decisions are made to deliver with regard to the best possible value for service users.
<b>Safeguarding</b>	No issues identified
<b>Financial/Resource/ Value for Money</b>	NHS Somerset Integrated Care Board has a confirmed revenue budget of £1,426,490,000 for the 2024/25 financial year as at 30 November 2024.
<b>Sustainability</b>	No issues identified
<b>Governance/Legal/ Privacy</b>	The financial report details any constitutional standards required to be met by the NHS Somerset Integrated Care Board
<b>Confidentiality</b>	No issues identified
<b>Risk Description</b>	GBAF Reference 664 – RAG Rating 8 (updated 6/1/25)

## Headline Summary

- At month 8, NHS Somerset is breakeven year-to-date and is forecasting to deliver a balanced outturn position for the 2024/25 financial year.
- NHS Somerset's capital programme is £1.4m behind plan year-to-date. Forecasted capital outturn for 2024/25 is in line with our system CDEL.
- At month 8, year-to-date NHS Somerset's total savings programme is on plan, with a shortfall of £6.4m in recurrent savings. NHS Somerset is also forecasting to deliver total efficiencies in line with plan this financial year, however total recurrent delivery is estimated to be £9.6m lower than plan. Unidentified savings at month 8 are £1.6m.
- Total system agency costs are £4.7m below plan year to date; and are forecasted to be £6.8m lower than plan this financial year, achieving the recurrent CIP target set.
- At month 7, Somerset Council's are forecasting to deliver a balanced outturn position this financial year with a reduced draw on Reserves of £8.8m compared to plan. Adult Services are forecasting a £3.8m underspend, with Children, Families & Education Services forecasted to be £8.4m over budget this financial year.
- The system is managing several medium and high rated risks, which could materialise: -
  - LD Pooled Budget
  - Prescribing NCSO Pressures
  - Secondary Care Cost Pressures
  - System Savings Programme
  - Continuing Care
  - Elective Recovery

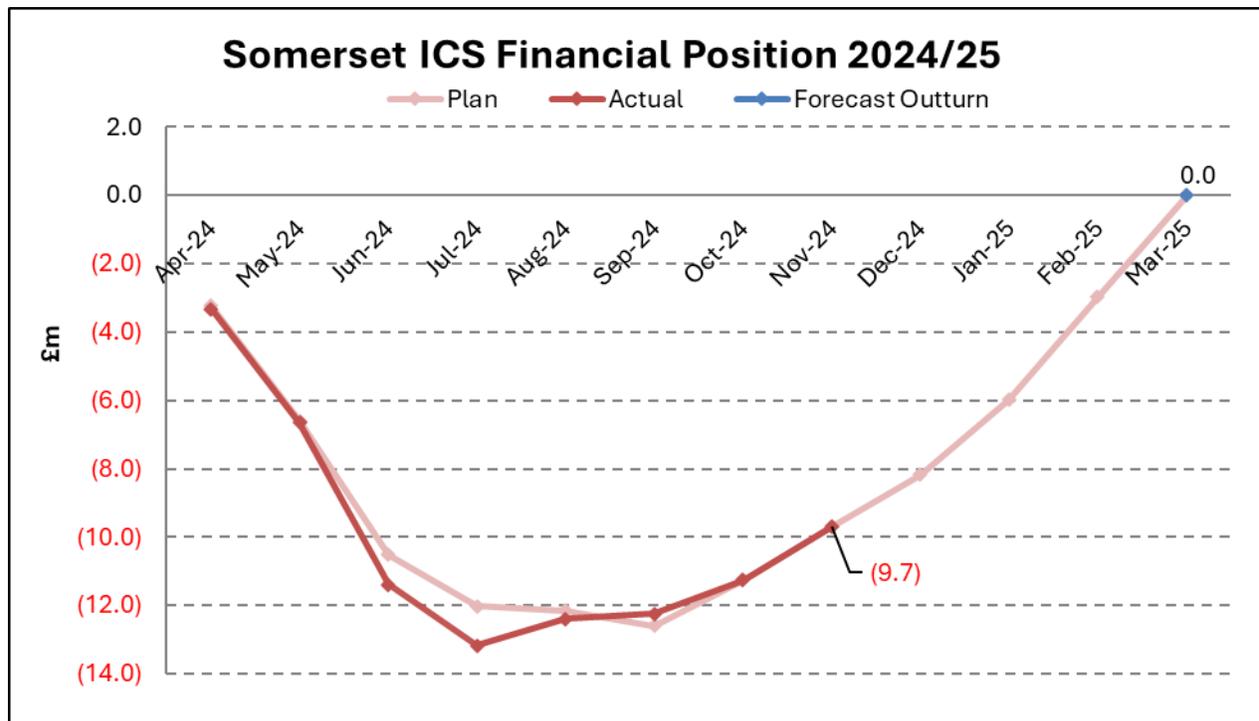
# NHS Somerset - Financial Headlines

## Month 8 2024/25

At month 8, NHS Somerset is breakeven year-to-date and is forecasting to deliver a balanced outturn position for the 2024/25 financial year.

NHS Somerset Capital expenditure is forecasted to be in line with our system CDEL this financial year.

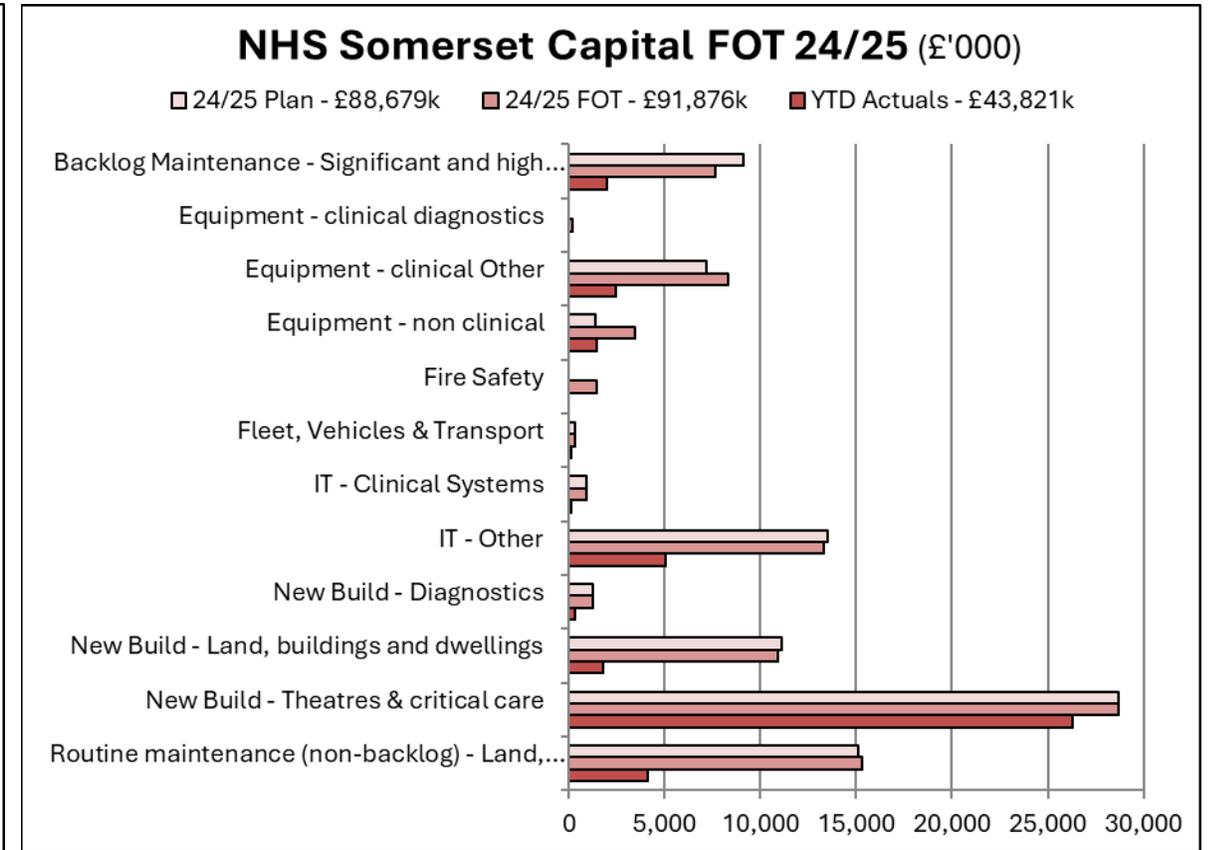
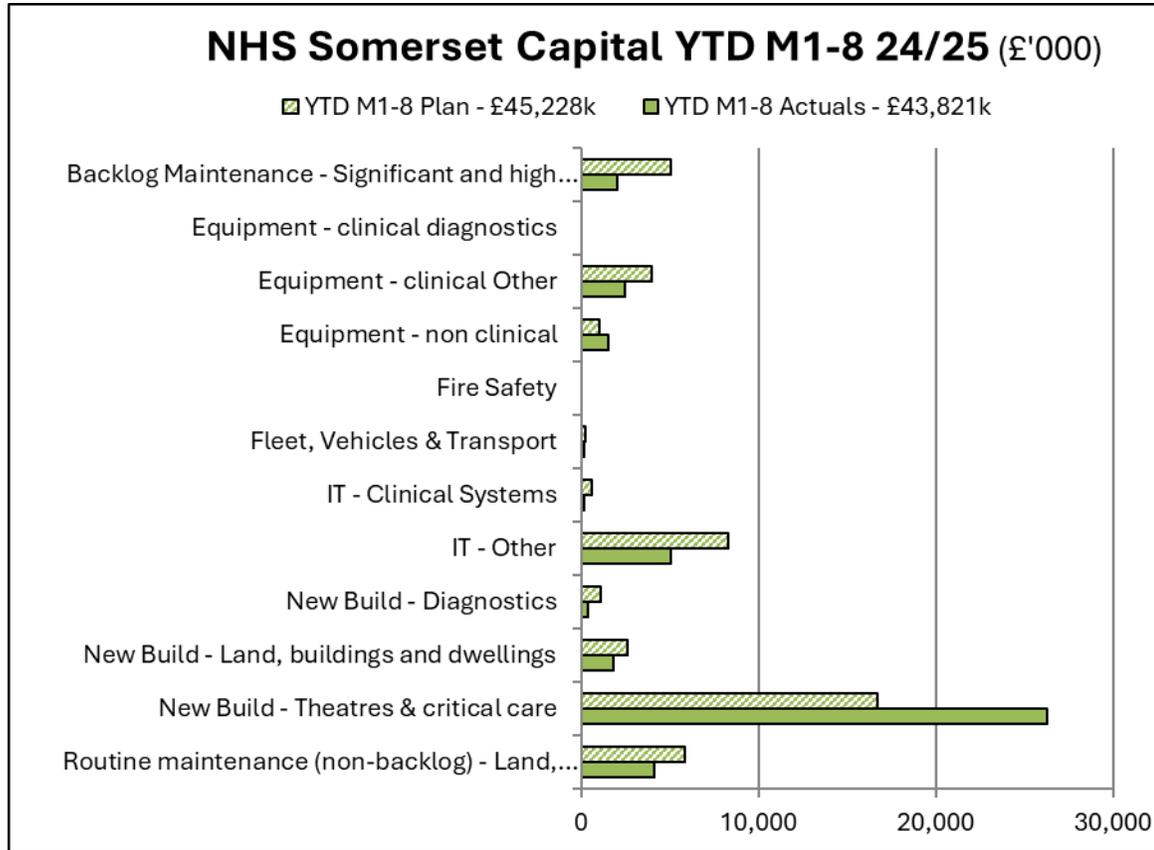
Somerset Council is also forecasting to deliver a balanced outturn position this financial year at month 7, with a reduced draw on Reserves of £8.8m compared to plan.



Performance against organisation-specific and system control totals									
£'m	Month 8			YTD Month 1-8			Forecast Outturn 2024/25		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
NHS Somerset ICB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Somerset NHS FT	1.6	1.6	0.0	(9.7)	(9.7)	0.0	0.0	0.0	0.0
Somerset Council*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Somerset ICS</b>	<b>1.6</b>	<b>1.6</b>	<b>0.0</b>	<b>(9.7)</b>	<b>(9.7)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

\*Somerset Council forecasted position is as at month 7, with the YTD position being the pro rated annual forecast

# NHS Somerset – Trust Capital Scheme Breakdown

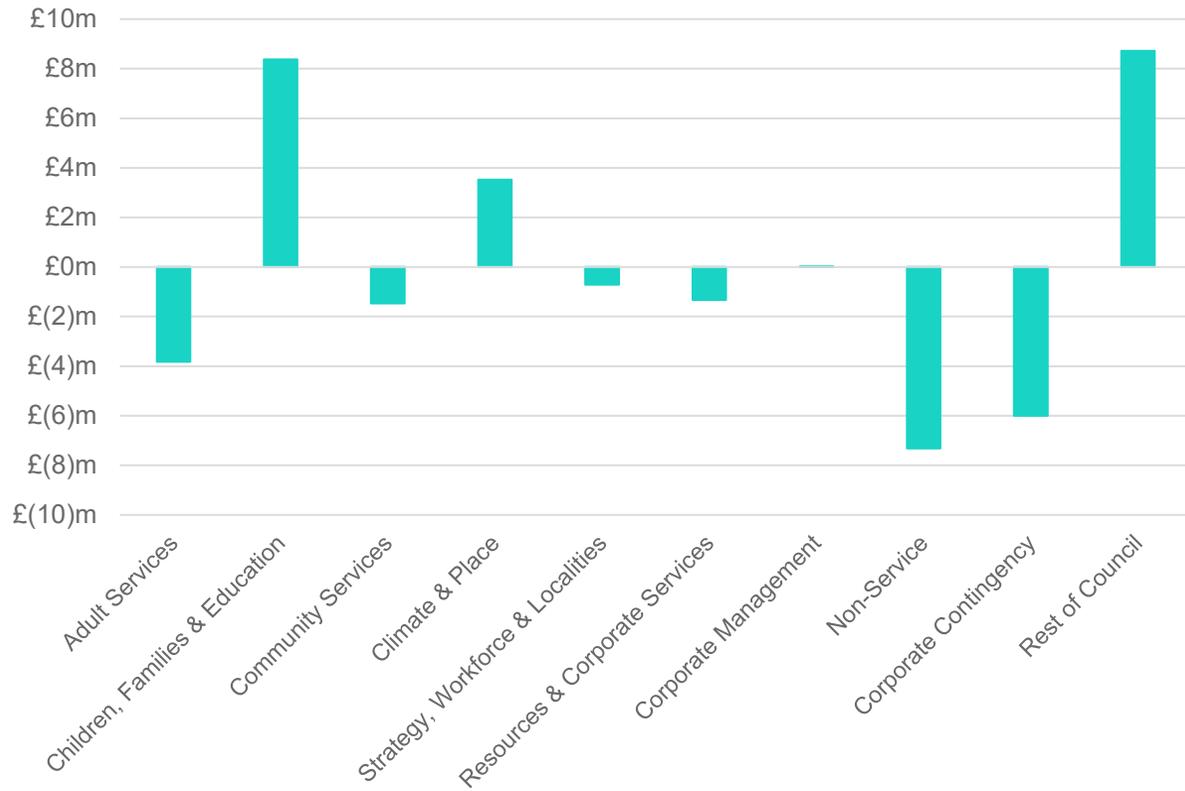


At month 8, NHS Somerset’s capital schemes are currently £1.4m behind plan year-to-date but are currently forecasting to exceed plan by £3.2m this financial year.

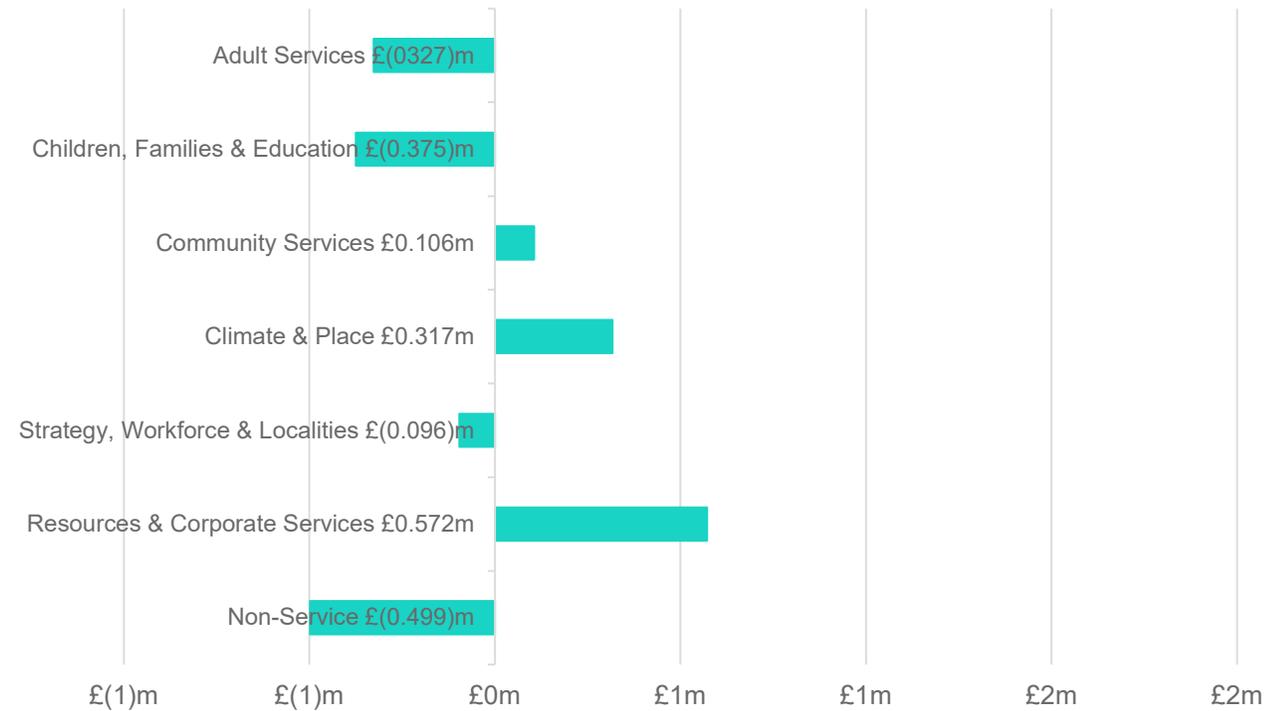
NHS Somerset is currently forecasting to spend in line with CDEL this financial year – with underspends against SFT CDEL offset by additional capital expenditure within Somerset ICB. Note the above 24/25 FOT position of Capital Schemes within the charts excludes lease liabilities of £5.1m (-£2.0m variance YTD) and Other Adjustments for disposals and donations of -£4.3m (+£0.7m variance YTD) which are included within our CDEL.

# Month 7 – Service Budget line underspend increase of £0.303m, from £8.479m to £8.782m

Forecast Outturn as at Month 7



The increase in forecast underspend from Quarter 2 is made up of the following movements



# 2024/25 Month 7 Forecast Outturn – Revenue

Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 7 Variance £m	Overspend / (Underspend)	RAG Status	Ongoing Pressure £m	One-off Pressures £m	Movement From Month 6 £m
Adult Services	376.455	(136.923)	239.532	235.709	(3.823)	Underspend	Green	-	16.937	(0.327)
Children, Families & Education Services	193.526	(50.699)	142.827	151.207	8.380	Overspend	Red	14.882	1.432	(0.375)
Community Services	60.814	(26.402)	34.412	32.946	(1.466)	Underspend	Green	-	1.104	0.106
Climate & Place	141.111	(46.910)	94.201	97.731	3.530	Overspend	Red	3.000	1.737	0.317
Strategy, Workforce & Localities	32.093	(6.712)	25.381	24.670	(0.711)	Underspend	Green	1.477	0.023	(0.096)
Resources & Corporate Services	160.215	(133.140)	27.075	25.747	(1.328)	Underspend	Green	0.651	1.577	0.572
Public Health	24.039	(23.000)	1.039	1.039	-	On-budget	Green	-	-	-
Corporate Management	1.575	(0.103)	1.472	1.491	0.019	Overspend	Amber	-	0.019	-
Non-Service	78.584	(10.912)	67.672	60.349	(7.323)	Underspend	Green	0.125	-	(0.499)
Traded Services	-	-	-	-	-	On-budget	Green	-	-	-
<b>Total Service Position</b>	<b>1,068.412</b>	<b>(434.801)</b>	<b>633.611</b>	<b>630.889</b>	<b>(2.722)</b>	<b>(Underspend)</b>	<b>Green</b>	<b>20.135</b>	<b>22.829</b>	<b>(0.302)</b>
Corporate Contingency	6.000	-	6.000	-	(6.000)	Underspend	Green	-	-	-
<b>Total After Contingencies</b>	<b>1,074.412</b>	<b>(434.801)</b>	<b>639.611</b>	<b>630.889</b>	<b>(8.722)</b>	<b>(Underspend)</b>	<b>Green</b>	<b>20.135</b>	<b>22.829</b>	<b>(0.302)</b>
Council Tax	-	(361.071)	(361.071)	(361.071)	-	On-budget	Green	-	-	-
Business Rates	-	(128.447)	(128.447)	(128.447)	-	On-budget	Green	-	-	-
Grants	-	(65.997)	(65.997)	(66.057)	(0.060)	Overachievement	Green	-	0.001	-
Collection Fund (Surplus)/Deficit	-	(7.713)	(7.713)	(7.713)	-	On-budget	Green	-	-	-
<b>Total After Funding</b>	<b>1,074.412</b>	<b>(998.029)</b>	<b>76.383</b>	<b>67.601</b>	<b>(8.782)</b>	<b>(Underspend)</b>	<b>Green</b>	<b>20.135</b>	<b>22.830</b>	<b>(0.302)</b>
Reserves	-	(39.499)	(39.499)	(30.717)	8.782	Reduced draw	Green	-	8.782	0.302
Capitilisation Direction	-	(36.884)	(36.884)	(36.884)	-	On-budget	Green	-	-	-
<b>Total Position</b>	<b>1,074.412</b>	<b>(1,074.412)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Green</b>	<b>20.135</b>	<b>31.612</b>	<b>-</b>