NHS
Derby and Derbyshire
Integrated Care Board

MINUTES OF THE SYSTEM FINANCE, ESTATES AND DIGITAL COMMITTEE

HELD ON TUESDAY 27 AUGUST 2024 VIA MS TEAMS AT 1.30PM

Present:		
Sue Sunderland	SS	Non-Executive Director and Audit Chair, ICB (Chair)
Dawn Atkinson	DA	Programme Director, ICS Digital Programme, DCHS
Cath Benfield	CB	Deputy Chief Finance Officer, DCHS
Craig Cook	CCo	Director of Acute Commissioning Contracting and Performance/JUCD Chief Data Analyst
Keith Griffiths	KG	Chief Finance Officer, ICB
Andrew Hall	AH	Executive Chief Operating Officer, UHDB (part)
Peter Handford	PH	Chief Finance Officer, DCHS
Steve Heppinstall	SH	Chief Finance Officer, CRH
Tamsin Hooton	TH	Programme Director, Provider Collaborative, JUCD
David Hughes	DH	Director of Finance, ICB
Mike Naylor	MN	Director of Finance, EMAS
Stuart Proud	SP	Non-Executive Director, DCHS
James Sabin	JS	Director of Finance, DHcFT
In Attendance:		
Debbie Donaldson	DD	EA to Keith Griffiths, (Minute Taker) ICB
Apologies:		
Michelle Arrowsmith	MA	Chief Strategy and Delivery Officer/Deputy CEO
Jim Austin	JA	Chief Information & Transformation Officer, DCHS/Chief Digital Information Officer, JUCD
Chris Clayton	CC	Chief Executive Officer, ICB
Simon Crowther	SC	Chief Financial Officer/Deputy CEO, UHDB
Jill Dentith	JED	Non-Executive Director, ICB
Jennifer Leah	JL	Director of Finance (Strategy and Planning), ICB
Ian Lichfield	IL	Non-Executive Director, UHDB
Lee Radford	LR	Chief People Officer, ICB
Susan Whale	SW	Director of System PMO & Improvement

Item No.	Item	Action
FE2425/437	**Welcome, Introductions and Apologies** It was noted that Jill Dentith, Chair of System Finance, Estates and Digital Committee was currently on annual leave and Sue Sunderland, Audit Chair, was to Chair this meeting in Jill's absence. Apologies were received from Michelle Arrowsmith, Jim Austin, Chris Clayton, Ian Lichfield, Jill Dentith, Lee Radford, Simon Crowther, Jennifer Leah, and Susan Whale.	
FE2425/438	**Confirmation of Quoracy** The Chair declared that the meeting was quorate.	
FE2425/439	**Declarations of Interest** The Chair reminded Committee members of their obligation to declare any interest they may have on any issues arising at	

	committee meetings which might conflict with the business of the ICB. Declarations declared by members of the System Finance, Estates and Digital Committee are listed in the ICB's Register of Interests and included with the meeting papers. The Register is also available either via the Executive Assistant to the Board or the ICB website at the following link: www.derbyandderbyshire.icb.nhs.uk No declarations of interest were made.	
FE2425/440	**Any points arising from previous ICB Board Meeting** The Chair reported that there had not been an ICB Board Meeting in August, the next meeting was 19 September 2024.	
	FINANCE	
FE2425/441	**M4 System Finance Report** David Hughes reported that this paper presented the financial position of JUCD for the period ended 31st July 2024 (M04). It highlighted the key areas where there were I&E challenges, as well as summarising the capital position across the JUCD system. With the national requirement for all systems to re-submit their plans on 12 June 2024, JUCD submitted a revised financial plan to deliver a planned deficit of £50.0m, in line with the Revenue Financial Plan Limit set for the ICS. This report highlighted the system financial performance against the revised financial plan. The System was expecting non-recurrent deficit support revenue allocation in 2024/25 of £50m, the timing had not yet been confirmed but had been suggested as October 2024. At M04 the System reported a year-to-date adverse variance of £2.8m against a planned deficit of £36.9m. The annual forecast was to deliver the planned deficit of £50m by the end of the financial year. The key drivers of the YTD position included: • Industrial Action Costs of £1.4m (UHDB and CRH) due to the Junior Doctor strikes in June & early July. NHSE had indicated that there would be funding available for this pressure, but the value and timing had not yet been confirmed. • Urgent & Emergency Care Demand Pressures of £1.1m (UHDB) resulting from remaining in OPEL 4 with Full Capacity Plan protocol in place.	

	The forecast outturn (FOT) was expected to be in line with the £50m deficit plan; the YTD extrapolated run rate sees the outturn at a deficit of £119m. The required improvement of £69m in M05-M12 was detailed in the report. The following key deliverables would support achievement of the System financial target for 2024/25: • CIP actualisation including development of the £18.6m unidentified gap in efficiency plans and acceleration of £39.5m opportunities and £47.5m plans in progress. • Improvement to unplanned care pathway within UHDB resulting in the safe and urgent removal of unfunded additional enhanced capacity. • Maximisation of financial opportunity from the Elective Recovery Fund (ERF). • Reduction of variable pay and alignment of WTE and financial pay information. The Chair expressed her concern that this report felt finely balanced in terms of whether we were going to be able to deliver on plan or not, and that the risks felt high. She added that she was conscious that we were fast heading towards the start of the third quarter and she noted the reference in the report to developing Plan B alternatives. If some of the original plan was not going to deliver, we needed to understand at what point we may need to engage Plan B, because it we left it too late, we would not be able to deliver on those either. David Hughes accepted that he had not put enough emphasis on this in his report. He added that there needed to be a concerted effort to de-risk the plans that we had. It was noted that work was being done within the ICB on identifying those Plan B options and things that would ensure we achieved the efficiency targets that had been set. This was something that we needed to spend more time on in the coming months to assure ourselves that we were happy with where we had got to. The Chair requested that at the September meeting more focus be given on where we were on risks, and that individual representatives from each organisation be invited to the meeting to be able to contribute to a discussion. David Hughes agreed to arrange for the next meeting. Stuart Proud thanked David Hughes for the slide deck and referred to page 14 of the papers; 41% of what we currently had planned was high risk, he wanted to understand more about what the barriers were to deliver that, and what was the likelihood of those risks materialising. He reported that we needed to make sure we had a Plan B either to mitigate those things or do other things instead. The scale of opportunities we had here (nearly £40m), would take some time to develop and the value of those opportunities needed to go up because the time to deliver them was going to get shorter.	DH

	Stuart Proud highlighted the gap between what had been identified and what had not; in one part of the agenda papers, it mentioned £18m and later in the papers it stated £10m – he asked whether it was £10m or £18m; it was important to know the value of that gap we had to find, but not get fixated on it. He added that we needed plans in place for everything that we were trying to deliver and more, because there would be other risks that come out of the pipeline that could stop us delivering the plan; we needed more than we were planning to deliver to cover these eventualities. He agreed with the Chair, that a detailed session at the September meeting to discuss this further would be beneficial for Committee. David Hughes agreed to schedule something for next month, whether that was an enhanced element within the finance report or a separate session for Committee. He agreed that the proportion of high-risk schemes did feel on the higher side, but he assured Committee that some progress had been made since this report had been produced. Peter Handford supported the statement that progress had been made since the report had been written. DCHS's position was slightly better than shown in the report and he hoped that we were all doing things on an almost daily basis to improve the CIP positions signed up to. He added that the CIP achievement was one thing, the control of risks as they come along was another. We all had a set of things that we know that we were balancing and managing as part of our overall position and it could be that we were doing well on delivery of CIP but if we did not manage or have good oversight of some of those other things then we would not achieve our target. Going into 25/26, the need for CIP was not going to go away and we would always need to build that space to be able to have a more nuanced better transformation programme, which was more about improving service delivery as well as achieving financial efficiencies. The Chair reported that it may be worth looking at the risks wider than just CIP; there should also be a focus on risk to delivery of the financial plans. Tamsin Hooton reported that we needed to do more work between what was understood on the ePMO, within Providers and the ICB reporting team, about risk and how we categorised that between identification risk and delivery risk. She added that sometimes in this meeting it was not helpful that the Transformation report came right at the end of the agenda, which had the most up to date picture of the identification of schemes in it. Going forwards Tamsin Hooton asked whether the Transformation Report could go directly after the finance report on the agenda for this Committee to help the flow of the meeting. Tamsin Hooton reported that she felt we had made progress on the identification, but we still had work to do on assessing the delivery risk and being as transparent as possible around that delivery risk, understanding what mitigations might be available or being applied	

	by individual Providers and what was the outstanding level of risk that was going to impact the overall System delivery plan. It was noted that Susan Whale over the last month had had numerous meetings and conversations with Keith Griffiths and his team to try and get that better aligned in terms of how we were trying to do that reporting. Tamsin Hooton reported that several people had pointed out slight reconciliation differences on the Finance and Transformation reports, and it was noted that Susan Whales report did present a slightly more positive picture. David Hughes confirmed that progress had been made and the position had improved. He explained that what we were looking at in this report was what people had included in the PFR returns at M04, so this information was a few weeks old, and a lot had gone into the ePMO in the middle couple of weeks in August. Keith Griffiths reported there was merit in dedicating as much time as we possibly could next month to a conversation, and hearing from each partner organisation, about what progress had been made and actions being taken. He felt the reality of the efficiency challenge comes back to pay reduction. We could not ignore the fact that 60-70% of our costs were pay related. It was noted that at M04 bank and agency staff appeared to have increased, and even though head count might be on plan, we were spending more in bank and agency than had been expected. We needed to understand where workforce sits within this space alongside quality and safety, as this would be critical to delivering £169m. It was noted that we were now 4-5 months into the year and Keith Griffiths wanted to know whether the two Acutes were going to get back to where they wanted to be in the remaining 6-7 months. If collectively by the end of next month, despite all the best efforts, there were pressures like the ones reflected at this meeting today, then because we were not going to get any financial headroom nationally, we would have to find that headroom from within. It was noted that we had three organisations in the System predicting breakeven or slightly better, next month we might need to see whether that was enough to support our two Acutes and whether we needed to see surpluses appearing in those organisations if there was an inevitability about cost increases ahead. Keith Griffiths reported that as a System we had made a commitment to breakeven; a breakeven in one or two organisations and deficits elsewhere was a deficit for the System, and this was not acceptable. We had to find a way of going further and beyond breakeven that we were currently predicting, so that the risk and the pressure was equally felt, and that every opportunity was being considered. Keith Griffiths reported that there were some very important conversations that needed to be had next time this Committee meets and he hoped that colleagues on this call would take that message back to their own Executives and Boards so that we could get into some options in the September meeting that would help de-risk the System.	

	David Hughes agreed to address all the points discussed at the meeting today and bring answers back to next month's meeting. The Chair requested that the Transformation Report come directly after the System Finance Report on the agenda going forwards. **The System Finance, Estates & Digital Committee are NOTED the M04 Joined Up Care Derbyshire System (JUCD) financial position and the actions taken to ensure delivery of the financial plan.**	
FE2425/442	**Capital Prioritisation Update** Cath Benfield gave a power point presentation entitled 10-Year Draft Capital Plan Submission, a copy of which was included within the agenda papers. The following was highlighted: • Each ICS had been required to submit by end of July its initial view on their 10-year capital requirements. • It was noted that DDICB's submission consolidated returns from Providers together with Primary Care. • The Primary Care submission took into account discussions with colleagues from CRH and DCHS with regard to the development of a Chesterfield Town Centre site, providing a central location for patients and supporting the relocation of outpatient services from CRH and potentially some DCHS sites, giving the opportunity for estates rationalisation. • Within the template the first year (24/25) for Providers was reconciled back to the capital plan that formed part of the 12 June planning submission. • The uninflated ask, in total, across the 10-years was £1,983.9m. Applying the inflationary uplifts built into the template increased this to £2,312.1m. • The submission was supported by a short narrative, highlighting the approach, additional work to be undertaken and the key assumptions made. • The email accompanying the submission highlighted that given the timescales for completion, there had not been an opportunity for it to be taken through the appropriate governance process, which would be undertaken post submission, and that this may or may not lead to amendments being required. • It was noted that this Committee was a key part of that governance process in terms of overseeing this work. Next Steps: • Review of the prioritisation methodology building on the work undertaken in 2023/24 in the context of the Infrastructure Strategy to ensure it appropriately reflected the agreed system priorities and objectives.	

	• Task the multi-disciplinary cross system capital planning group, already well established, to review the July submission and to undertake an initial prioritisation exercise. • Embed a process of regular review and updating of the System's collective medium-term capital plans to ensure they remained relevant, addressed key risks and priorities and the levels of funding available. • Appropriate governance and oversight of this process on an ongoing basis including regular updates to this Committee. Cath Benfield agreed to bring an update back to this Committee in the next couple of months. **System Finance and Estates Committee thanked Cath Benfield for her presentation.**	CB
ESTATES		
FE2425/443	**Delivering the Infrastructure Strategy** Cath Benfield gave a power point presentation entitled Infrastructure Strategy - High Level Scoping and Delivery Plan, a copy of which was included within the agenda papers. The following was highlighted: • JUCD submitted its Infrastructure Strategy to NHSE on the 31 July 2024 in line with the national deadline. • At the time of writing this report the System was awaiting a formal letter in response to our submission detailing next steps. However, we understand that by October 2024, Systems would receive individual feedback and details on proposed next steps. • Nationally, some work would be undertaken to pull out some key themes/priorities from the strategies submitted by the 42 ICSs across England and an ICS Estate lead network was to be established. • The System's Infrastructure strategy sets out a high-level delivery plan for estates. • This presentation builds on this to set out the key deliverables and the proposed groups that would be charged with taking the work forward, building on the structures already in place. • Whilst some deliverables were time limited and would be quicker and easier to implement, there were others which would be ongoing. • We needed to ensure that place level priorities were represented, and this would be facilitated by a dedicated estates lead identified for each place. • On the back of the strategy, a review of existing governance arrangements would be undertaken via a formal review of TORs of existing groups to ensure there was clarity of the different roles and responsibilities between the ICB and the Provider Collaborative. • The Strategic Estates Group would be charged with the oversight of the implementation plan for the Strategy and the	

	leads from each workstream should attend to provide updates/ assurance on progress. • Additional resource/capacity was required to progress key elements of the workplan – specifically utilisation and efficiencies plan if we were to drive this forward at the required scale and pace. • It was noted that the ICB's role was around connectivity into the JFP and into the wider ICS strategies, confirm and challenge and holding the Provider Collaborative to account around delivery, and oversight of the capital prioritisation process. The System DoFs group and other groups would oversee that work. • The Provider Collaborative's role was around delivery in line with the timescales outlined. The Provider Collaborative Leadership Board (PCLB) could retain the oversight on delivery, but also provide that route for escalation and direction, and would report into this Committee for assurance and coordination purposes. • There were six work streams in the Strategy, System Estates Group, Estates Optimisation, Capital Planning, Carbon Reduction, Digital and Data and Workforce. • It was noted that Dawn Atkinson and Cath Benfield needed to have a further discussion offline on the Digital and Data work stream in terms of the governance process specific to digital and in particular to primary care digital. • Plans for the Estates Workshop: Cath Benfield reported that a process that was being coordinated regionally called the Activity Driven Estates Planning Tool (ADEPT) had been paused and it was not clear when this process would be reinstated. It was noted that we could not wait, 6-12 months for it to get back online; this was supposed to tell us from a clinical perspective what our estate footprint needed to look like, given how we wanted the care model to be delivered in the future. • A series of planned workshops were going to be set up in order to get the right stakeholders across the System to start to understand what estate requirement would be needed in the future. This should help in terms of understanding what estate opportunities we needed to consolidate, rationalise/divest, rather than doing it from an estates/finance lens, as was being done currently. We needed to bring that clinical element and dimension into the planning. • The workshops would be held towards the end of next month, dates to be confirmed. • The Chair asked whether the clinicians recognised how important it was that they attended these workshops; how were we going to get them there? • Tamsin Hooton reported that when we thought we were working with the nationally commissioned ADEPT tool, we had taken that through CPLG and got them onboard with being the clinical leadership cohort. We had identified a limited 9 priority baskets of clinical services that we would structure out and have clinical leads for each of those. She felt that that commitment could be transferred from working with ADEPT to working with a locally driven process. CPLG would need to be informed of this change, at their next meeting.	CB/DA

	• The Chair reported that Committee looked forward to hearing back on how this developed. She hoped we could start to see results coming through over the next few months. **The System Finance and Estates Committee NOTED the slide deck which provided a high-level plan to deliver the objectives and priorities as set out in the System's Infrastructure Strategy.**	
FE2425/444	**Productivity Assessment – UHDB Case Study** Andrew Hall reported that this paper provided a case study of the specialty of Trauma and Orthopaedics at UHDB and aimed to highlight the issues that impact on productivity and elective recovery in this area. Elective recovery was a critical performance standard for NHS organisations. The measure of value weighted activity (VWA) was used to demonstrate increased planned care activity above 2019/20 levels which was crucial if UHDB were to reduce the significant number of patients waiting for long lengths of time for their treatment. UHDB shared a paper in December 2023 which set the context around elective recovery and the measurement of VWA at the Trust. This looked at several factors that could affect performance including baseline issues, depth of coding, utilisation of capacity, case mix and the impact of non-elective demand. It was noted that assessment of what was influencing productivity at Trust level was challenging due to the multiple issues which could influence performance. Across sites and specialties, higher and lower performing areas offset each other, meaning issues and trends were harder to spot. Consequently, a specialty level focus was required to understand how factors such as the mix of activity types, environment and staffing could influence productivity at a local level. Trauma & Orthopaedics (T&O) was selected for the focus of this case study for the following reasons: • It was one of UHDB's largest single specialities in terms of total activity volumes. • It managed both emergency (trauma) and elective patients in large volumes through the same clinic and theatre capacity. • It operated across the Trust's whole catchment area with significant operations on both of the Trust's acute sites as well as providing clinics and day case surgery across a number of the Trust's community sites. • It was a speciality that was already significantly challenged in terms of elective waits prior to the pandemic. This was as a result of referrals exceeding demand each year and capacity compromised by winter pressures resulting in the loss of elective bed capacity. As a result, it was a speciality that had been reliant	

on undertaking large volumes of activity in non-core time. This averaged around 15% of total activity in 2019/20 and was expected to be around 12% of activity in 2024/25.

The report demonstrated that UHDB:

- Was undertaking more T&O elective/day case activity in total now than they were in 2019/20.
- The ratio of inpatient to day case activity was higher, therefore earning more income and had a higher VWA.
- Had more capacity than it had in 2019/20, because they had a new facility in the form of the Treatment Centre at QHB that gave them half a theatre more core capacity and had protected their elective beds at RDH (due to having more bed capacity on site overall). There was a higher overall cost to this (in terms of overheads and increased staffing) but it meant they were utilising their staff and theatre capacity more productively throughout the year.
- They were delivering more elective/day case activity despite delivering significantly more non-elective (trauma) activity. All this activity was delivered through the same theatre capacity.
- The theatre metrics showed that they had maintained strong performance within their peer group and compared to the national average now and compared to 2019/20. The whole acute sector was performing at a lower base in terms of theatre productivity compared to where it was. The higher elective case mix must be playing a part in this, though they recognised there was more work to do to improve their performance.
- Elective length of stay had reduced since 2019/20.
- However, to support their elective recovery they were having to rely on insourcing to cover the WLI capacity that would no longer be delivered by their own staff due to pension tax and pay rates issues. So, whilst they were achieving increased activity levels above the 2019/20 and benchmarking well on a range of metrics this came at a cost to the Trust and ultimately to the healthcare system.

Craig Cook reported that this paper focussed on productivity rather than efficiency. He felt it might be helpful to see in the next iteration what the cost was in terms of WLI and insourcing. He asked whether we had a considered view about how efficient the acute MSK provision was, not only at UHDB but also CRH. He added that this was an important part as it told a story about widgets and volumes of things, as opposed to how efficiently we were using our resources to deliver those particular outputs. If we were to do any more work on this, we needed to focus on efficiency as opposed to just solely on productivity. He reported that the paper did not pay any reference to outsourcing; outsourcing this year was part of our strategy in 24/25. This was an opportunity cost that we were missing in the NHS, that we were pushing out to the private sector.

Andrew Hall reported that the paper included some things around theatre productivity, which were largely efficiency measures in terms of how UHDB were using the operating theatre space. The

	paper had not included the same detail on outpatients. If UHDB were looking at efficiency overall they could look at relative waiting times as well, and how quickly it takes someone to get through the system and what sort of outcome they had and how much that episode of care costed. He reported that if we wanted to do more work on that it would be worth trying to do it more at a System level at both CRH and UHDB. It was noted that in 19/20 UHDB outsourced around 400 cases per year and those almost exclusively went to Derby Nuffield Hospital; this would be in the CCG records. Andrew Hall reported that we would be seeing a lot more outsourcing to the independent sector, possibly twice as much, if we were to look at the whole System now. Tamsin Hooton reported that this paper was helpful but had a strong focus on VWA volumes. The overall productivity and efficiency piece was multi-factorial, and understanding things like where we are on GIRFT and increasing day case rates, managing demand in alternative settings/with different skill mix etc was also important. Stuart Proud referred to the presentation and to the fifth bullet point on the conclusions, which highlighted that we had lower productivity because of the higher elective case mix. He asked whether we thought this was because elective activity was more complex and procedures were taking longer, or was it because demand through trauma had increased and elective cases as a result had to be rescheduled? Stuart Proud then asked if any kind of benchmarking had been done on cancellations or non-attendance for elective procedures and how that differed from where baseline was to where it was now, to see what impact that had? Andrew Hall referred to Stuart Proud's first question and reported that there were higher electives in terms of UHDB's total elective work, broken down into elective and day cases. The proportion of electives needing an inpatient stay were the more complex patients; these were a much greater proportion now than it used to be. Those patients not only stayed longer, but also the operations took longer. For example, where you might have been doing a day case list with eight patients on it, UHDB were now doing an impatient list with four patients on it. It was also true to say UHDB had to use more of their operating theatre capacity for emergency work, so this was having a double impact in that it was taking longer and taking capacity away from elective. Andrew Hall referred to Stuart Proud's last question and reported that a lot of work had been done on cancellations and DNAs over the last few years; figures had now stabilised, but figures had been a lot higher post Covid. Keith Griffiths asked Andrew Hall for his own personal reflections on productivity, and perhaps more generally than orthopaedics and in relation to the leadership challenge; he asked how the Executive team was feeling in the Trust regarding having to get more out with the same money coming in, the volume of activity, job planning and	

	rotas, and 7 day a week working? He asked from an ICB perspective how could we support those competing dynamics? Andrew Hall reported that productivity had always been an important part of UHDB's narrative. UHDB was fortunate as a Trust in having a good quality asset base to work through and across all their sites compared to other hospital trusts. UHDB used model hospital and monitored how they did; they measured up well against measurable productivity metrics, but there was always room for improvement. UHDB had always been conscious of the amount of work they did in non-core time, and they needed to do work in non-core time to achieve performance targets and to achieve the outcomes for patients. It was noted that the Executive team had concentrated hard over the last winter to protect elective capacity, this was not something they had done previously, and had led to backlogs in winter months and catch-up work being done in the summer months. Andrew Hall reported that it was challenging being a split site trust and it was hoped that EPR would help with this. However, there was still different practices on both sites, and they were working on the GIRFT further faster programme Cohort 2, which was about outpatients in particular, and ensuring that they were delivering standard work in outpatients as they were still operating a number of different referral gateways. It was noted that UHDB were using some of the best national benchmarking to deliver consistently what they were trying to pursue, but they had come up against the clinical leadership challenge of making sure everyone bought into that. There was a constant balance of focus on this work and delivering on performance and the financial challenges. Dawn Atkinson referred to the implementation of the Federated Data Platform Solution (the Care Coordination Solution (CCS)), there was a long list of specialities to work through, but focusing on the theatre utilisation first would help UHDB enormously. She reported that there had been some good indications in terms of improvements of theatre utilisation with those special tiers that UHDB had started to look at. It was noted that CRH and UHDB had both started to look at being incubator sites for the CCS, which it was hoped would utilise that digital capacity to improve efficiency and productivity. The Chair reported that this had been a useful discussion, but that this was one speciality at one trust, we needed to pick up efficiency and productivity at a System level, and asked how best this could be done? Keith Griffiths reported that there had been discussions for many months about how we could understand productivity in the System and had requested from UHDB a case study as a learning opportunity for us, and he thanked Andrew Hall for the paper presented today. He reported that Cath Benfield, Suki Mahil, and	

	HR within the ICB, had been working with the regional teams regarding productivity. It was noted that there was no single way of determining what was good and not good productivity from an acute perspective, it was even more difficult from a community and mental health perspective because the data that sits behind those services was not as well developed. Keith Griffiths felt that we had surfaced productivity here, but needed a further reflection back with Cath Benfield, Sukhi Mahil and HR about where we mainstream this productivity piece of work, rather than it be seen as an exercise. It needed to be formally positioned, in either the Workforce or Performance and Ops space rather than Finance, and it needed to be System wide rather than acute centric. The Chair requested that Debbie Donaldson add this to the forward planner for a report back in 3-4 months' time on how things were progressing, so that Committee did not lose sight of it and Committee could make sure that things were developing along the lines detailed by Keith Griffiths above. **The System Finance, Estates & Digital Committee NOTED the Productivity Assessment - UHDB Case Study and looked forward to a further report as to how things were progressing in 3-4 months' time.**	DD
TRANSFORMATION/CONTINUOUS IMPROVEMENT		
FE2425/445	**Transformation Report** Tamsin Hooton presented the Transformation Report and highlighted the following key issues: • From the ePMO, delivery at M4 was slightly ahead of plan, an improvement of £0.3m. • It was recognised that the phasing would get significantly more challenging as the year progressed. M4 itself represented a step up in monthly delivery. • There were no significant variations for M4 on an individual organisation basis. There was a supplementary attachment to this paper that showed how the phasing worked through and the percentage of annual plan delivering each quarter by organisation. • We had some significant risks to keep delivery on track as we go into M5 and beyond. • We had closed half of the identification gap risk that we had at M3 which was £20m to £10m; there had been some good work to identify additional efficiencies. • We had not confirmed a process for fully identifying Plan B options; this needed more focussed work over the coming months. Tamsin Hooton reported that she was happy to work with Jen Leah and others to bring something back to September's meeting. • The remainder of the report talked about the progress that had been made in the individual transformation and delivery programmes.	TH

	• There had been a significant amount of work as a System on our approach to continuous improvement impact framework. We had identified some priority areas for developing skills around continuous improvement and skills around using data for planning and measuring transformation and delivery. There were plans to roll out some training and resources to key teams across the System. • Information on risks and escalations were set out in the Delivery Escalation Highlight Report, which was used to review risks and make escalations from the PCLB into the NHS Executive meeting or other appropriate group. No new risks/escalations had been reported this month. • The Chair felt that this had been a very comprehensive report, it was as positive as it could be at this time of the year. She thanked Tamsin Hooton and her team for all the hard work they were doing. **The System Finance, Estates & Digital Committee NOTED the Transformation and Efficiency Report.**	
	RISK MANAGEMENT	
FE2425/446	**Risk Report** David Hughes presented the Risk Report as at August 2024. The System Finance, Estates and Digital Committee was responsible for four ICB Corporate risks and new Risk 32 linked to the Capital Programme and Delivery, which had now been finalised. The following was highlighted: • Risk 06A *Risk of the Derbyshire health system being unable to manage demand, reduce costs and deliver sufficient savings to enable the ICB to move to a sustainable financial position. Delivery of the 24/25 financial plan.* It was proposed this risk score remained at a very high 20. • Risk 06B *Risk of the Derbyshire health system being unable to manage demand, reduce costs and deliver sufficient savings to enable the ICB to move to a sustainable financial position. Delivery of 2-year Break Even.* It was proposed this risk score remained at a very high 20. Cost control and achievement of efficiencies remained key to managing this risk and ICS financial position. • Risk 21 *There is a risk that contractors may not be able to fulfil their obligations in the current financial climate. The ICB may then have to find alternative providers, in some cases at short notice, which may have significant financial impact.* It was proposed this risk score of 12 should remain unchanged.	

	• Risk 22 *National funding for pay awards and the application to staff who are not on NHS payrolls. Consequently, there is an increasing risk of legal challenge as well as real, emerging loss of morale for over 4,500 staff across the Derbyshire system which could affect recruitment and retention of critical frontline colleagues.* It was proposed this risk score of 12 should remain unchanged. • Risk 32: *Risk of the Derbyshire health system being unable to deliver its capital programme requirements due to capacity and funding availability.* This new risk was proposed to be scored at a high score of 12 (probability 3 x impact 4). System Finance, Estates and Digital Committee agreed with all the above proposed risk scores. **The System Finance, Estates and Digital Committee:** • **RECEIVED both the corporate risks responsible to the Committee and the associated System Finance, Estates and Digital Committee risk log.** • **APPROVED new risk 32 linked to Capital Programme and Delivery.**	
FE2425/447	**Board Assurance Report** David Hughes reported that two strategic risks had been identified which were the responsibility of the System Finance, Estates and Digital Committee: Strategic Risk 4 - *There is a risk that the NHS in Derby and Derbyshire is unable to reduce costs and improve productivity to enable the ICB to move to a sustainable financial position and achieve best value from the £3.4 billion available funding.* The risk score currently remained at a very high 20, aligning to the corporate finance risks 06A and 06B within the ICB's Corporate Risk Register. Strategic Risk 10 - There *is a risk that the system does not identify, prioritise, and adequately resource digital transformation in order to improve outcomes and enhance efficiency.* This risk was scored at a high 12. Given the current financial environment and planning outturns, alongside some continuing national funding streams, no change to the current risk score was proposed. James Sabin reported that we had talked about digital transformation, but we had not mentioned estates transformation.	

	He asked whether that meant we were happy that estates transformation had been adequately resourced and that it was going to improve outcomes and enhance efficiency. David Hughes agreed that this was a fair point and was something that we needed to give more thought to. David Hughes agreed to consult with colleagues to consider the point raised. The Chair referred to the value weighted activity target linking into productivity (Risk SR4, action against threats 1 and 2). She asked whether we were satisfied that the valuated activity target was the key thing we wanted to measure; she felt it was wider than elements of efficiency, and asked whether that was the right action to be adding in there. The Chair reported that we did need something around efficiency and productivity but would welcome a reflection on whether the focus on the valuated activity target was what we should be focusing on. David Hughes agreed to reflect on this given earlier discussions. System Finance, Estates and Digital Committee agreed that the scores for the above two Strategic Risks should remain unchanged. Updates for Q2 to date were highlighted in blue. It was noted that meetings were also taking place during Q2 with the relevant Leads to review and update the relevant gaps and actions. **The System Finance, Estates and Digital Committee reviewed the Board Assurance Framework Strategic Risks 4 and 10 and AGREED that the scores should remain unchanged for August Q2 24/25.**	DH DH
MINUTES AND MATTERS ARISING		
FE2425/448	**Minutes from the Meeting held on Tuesday 23 July 2024** The minutes from the meeting held on Tuesday 23 July 2024 were agreed as a true and accurate record.	
FE2425/449	**Action Log from the meeting held on Tuesday 25 June 2024** The action log was reviewed.	
CLOSING ITEMS		
FE2425/450	**Any Other Business** It was noted that Simon Crowther was due to leave UHDB on Friday 6 September 2024, Keith Griffiths and Committee members thanked him for his contribution to this meeting and for all the work he had done at UHDB and in the System. There was no further business.	

FE2425/451	**Escalations to Other Committees** The Chair reported that an Assurance Report would be prepared giving key highlights from today's meeting and forwarded for inclusion within the next ICB Board agenda pack.	
FE2425/452	**Finance, Estates and Digital Committee Forward Planner** The Committee forward planner for 2024-25 was noted.	

ASSURANCE QUESTIONS	
1.	Has the Committee been attended by all relevant Executive Directors and Senior Managers for assurance purposes? **YES**
2.	Were the papers presented to the Committee of an appropriate professional standard, did they incorporate detailed reports with sufficient factual information and clear recommendations? **YES**
3.	Has the committee discussed everything identified under the BAF and/or Risk Register, and are there any changes to be made to these documents as a result of these discussions? **YES**
4.	Were papers that have already been reported on at another committee presented to you in a summary form? **YES**
5.	Was the content of the papers suitable and appropriate for the public domain? **YES**
6.	Were the papers sent to Committee members at least 5 working days in advance of the meeting to allow for the review of papers for assurance purposes? **NO**
7.	Does the Committee wish to deep dive any area on the agenda, in more detail at the next meeting, or through a separate meeting with an Executive Director in advance of the next scheduled meeting? **NO**
8.	What recommendations do the Committee want to make to the ICB Board following the assurance process at today's Committee meeting? **AN ASSURANCE REPORT WOULD BE PREPARED FOR THE ICB BOARD.**

DATE AND TIME OF NEXT MEETING
Date: Tuesday 24 September 2024
Time: 1.30pm
Venue: MS Teams