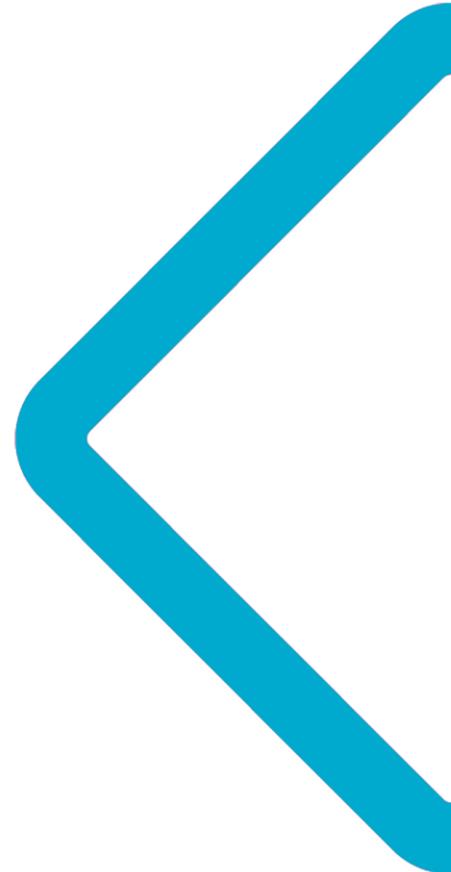


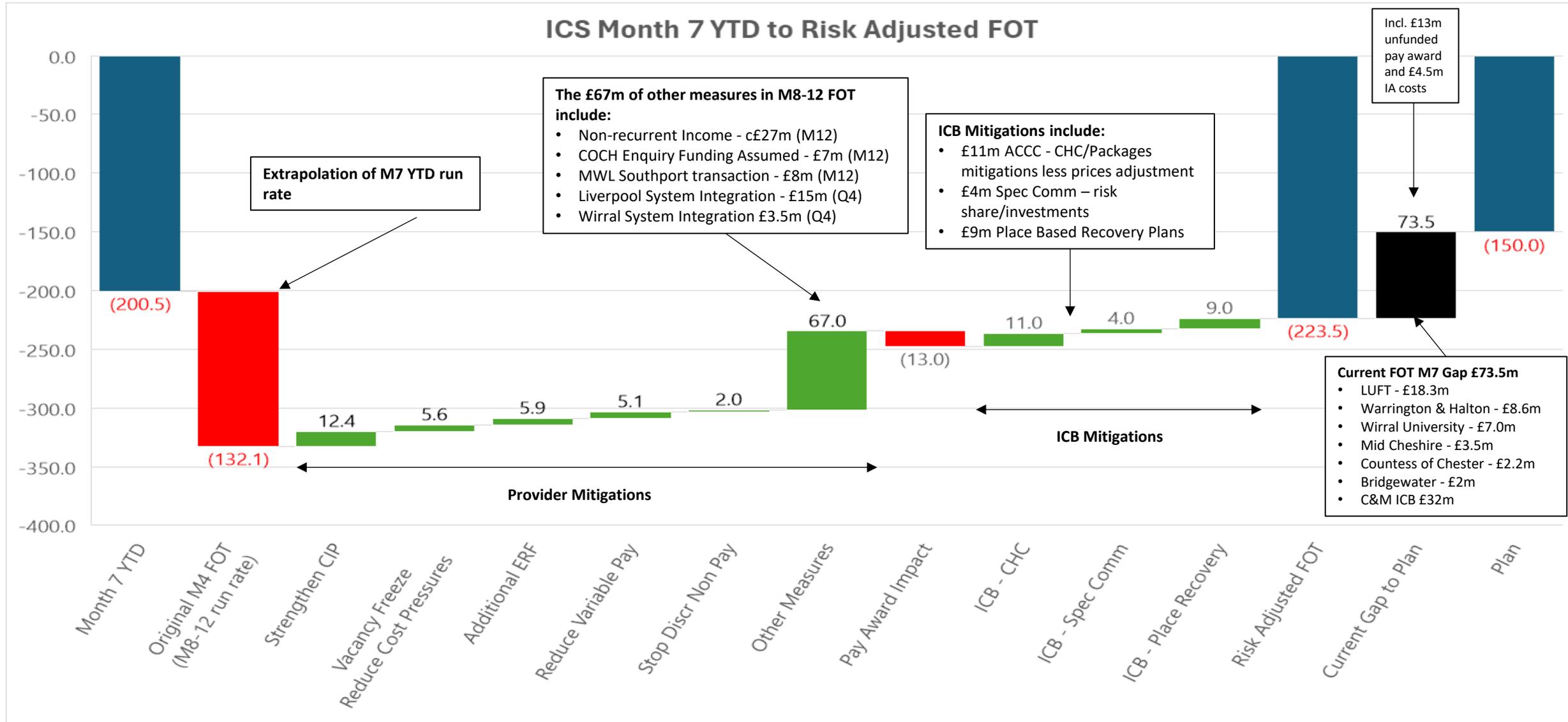
Cheshire and Merseyside Financial Recovery Update

ICB Board

28th November 2024



ICS Bridge of Month 7 YTD to Risk Adjusted FOT



• Note Original M4 FOT undertaken as part of Aug risk assessment and included trusts assessment of CIP delivery and ERF with robust plan delivery between M7-12

Risk Adjusted Forecast

- A Risk Adjusted Forecast has been collected from each organisation every month so that the impact of our individual and collective interventions on the gap can be tracked.
- This is an assessment of where our current recovery plans will get us to. There is still work to do to deliver this position and therefore it is not without delivery risk. This delivery risk is being carefully managed through robust financial control and assurance processes both within each organisation and at system level through the weekly Finance Command assurance meetings chaired by the ICB CEO.
- The month 7 forecast is set out in the table (below):

	Plan	Risk adjusted Forecast	Risk adjusted 'Gap to Plan'
Providers	(212)	(254)	(42)
ICB	62	30	(32)
Total system	(150)	(223)	(74)

- There is already an expectation that the impact of our efficiencies will ramp up in the remainder of the year and that recovery work and non-recurrent slippage already actioned, will be delivered.
- The system is required to deliver the plan it agreed at the start of the year.
- Therefore, following slide sets out some opportunities and actions which will need to be taken to improve this to close this gap even further.

Closing the current risk adjusted forecast 'gap to plan'

Opportunities

Providers

- Explore revenue to Capital transfer opportunities **(c. £8m)**
- Intervention support to 4 providers currently forecasting a gap to plan delivery. Financial impact still to be determined **(estimated £6-8m)**
- Review all planned investments, including organisations where breakeven is expected **(estimated £3m)**
- Explore capital (CRL) incentivisation for improved financial positions for organisations in surplus **(value tbc)**
- Review liabilities and deferred income across all organisations **(value tbc)**

ICB

- Intervention support to All Aged Continuing Healthcare programme. Financial impact still to be determined **(estimated £7m)**
- Further scrutiny on prescribing expenditure – additional internal capacity already approved. External review being sought **(value tbc)**

Impact of opportunities if all materialise

	Providers	ICB	Total ICS
Forecast 'gap to plan' estimated in @ M7	(29)	(32)	(61)
Pay award pressure	(13)		(13)
Total 'gap to plan' estimated at M7	(42)	(32)	(74)
Other opportunities			
Revenue to Capital transfer opportunities	8		8
Impact of phase 2 interventions - to be confirmed	6	7	13
Review Investments for opportunity to delay	3		3
Gap to Plan' including opportunities	(25)	(25)	(50)