



**North East and
North Cumbria**

System Recovery Board Escalation and Assurance Report

SRB PMO Lead – Fiona Downs

**Better health
and wellbeing for all...**

Escalation & Assurance Report

Report from: System Recovery Board

Meeting Date: 25/07/2024

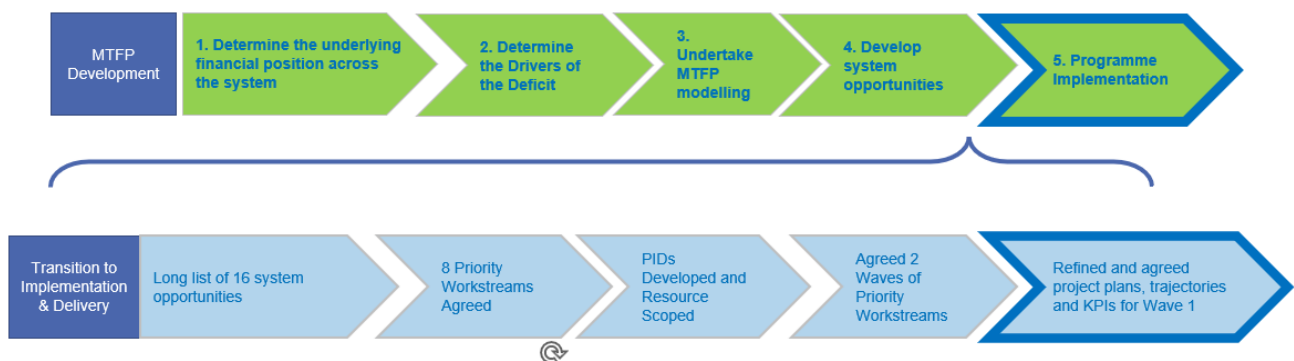
Report to: ICB FP&I Committee/Provider Leadership Board/System Leadership Board

Context

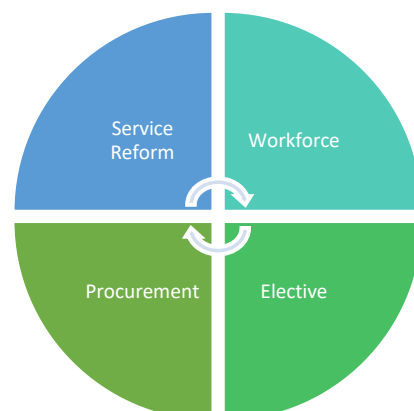
- North East and North Cumbria (NENC) ICS submitted a March deficit plan of £179m which aligned to the previously predicted £176m deficit plan in the MTFP model originally submitted in September.
- As a system, there was a collective call to action about how to improve this deficit for the final submission. The final position submitted, and subsequently approved, was a £50m deficit and it is recognised this improvement is largely contingent in additional non-recurrent delivery.
- Given the scale of the financial challenges facing the ICS, organisational only cost efficiencies will be insufficient to deliver a financially sustainable system going forward and as such system level efficiencies need to be identified and achieved.
- Therefore, it is a necessary requirement for the NENC ICS system to continue working towards delivering the financial improvement trajectory, which has to be achieved via a challenging savings ask over the medium term.

Medium Term Financial Plan (MTFP) Summary Approach and Current Position

Having completed phase 1-4, the system now knows where our material issues are and have moved forward on delivery. Appendix 1 shows the structure in place to support implementation.



Focus is on increasing efficiencies, right sizing our workforce and increasing productivity in the four wave 1 priority workstreams (to the left).



MTFP Opportunity Position Statement – Wave 1

Programme	Original Opportunity Value (£'m)	Leadership	Governance	Programme Deliverables	Dashboard Dials	Trajectory Basis		Project Plans	Key Notes
						2024/25	2025/26		
Elective	69	Lyn Simpson	Strategic Elective Care Board	Performance Pathways Productivity	<ul style="list-style-type: none"> ➤ ERF Income ➤ Outpatients New to FU Ratio ➤ Productivity – Activity per WTE 	ERF Income	Opportunities to be agreed to inform planning round for 2025/26	Milestones outstanding	Existing programme through PLB. Expanded to include MTFP remit.
Workforce	81-165	Trudie Davies	Workforce Board	WTE Growth Pay Rate Standardisation Bank Fill Rates ICS Recruitment	<ul style="list-style-type: none"> ➤ WTE Numbers ➤ Substantive Spend ➤ Temporary Spend 	Provider Workforce Plans		Milestones outstanding	
Procurement	34	Stacey Hunter	Outstanding	NHS Supply Chain & Non Pay Review	<ul style="list-style-type: none"> ➤ Procurement Function Spend ➤ Product Spend ➤ Service Spend 	Opportunity to be agreed		Outstanding	
Service Reform	-	Neil O'Brien	Service Reform Board	To be Finalised	<ul style="list-style-type: none"> ➤ To be Finalised 	Final ICS Planning Improvement Requirement (£10m)		Outstanding	Only stood up as a programme in June 2024.

System Recovery Board Monthly Meeting Briefing (July 2024)

Key Escalation & Discussion Points				
Alert	Action	Action Owner	Target Date	
National Investigation and Intervention Process	Steering Group set up to specify and commission NENC review of system grip and control per I&I spec over a 12 week period.	David Chandler (Richard Henderson)	End of September 2024	
Planning Timeframes	Expectation that planning timeframes brought forward and concluded by January 2025 at latest so pace required	David Chandler	By January 2025	
MTFP Model Submission	A revised MTFP model to be submitted for NENC ICS in September as requested nationally	Lis Dunning	End of September 2024	
Advise:				
<ul style="list-style-type: none"> ● Elective: <ul style="list-style-type: none"> ➤ Top 3 priorities by SECB groups agreed by SECB and new highlight reporting mechanism for all sub-groups and Clinical Alliances now in place from July 2024. <ul style="list-style-type: none"> ▪ Outpatients Transformation: Performance, Administrative, Quality ▪ Mutual Support: Performance, Equitable Waiting Times, Sustainable Waiting Times ▪ GIRFT: Reducing unwarranted variation and standardisation of pathways across HVLC specialties. ▪ Theatres and Perioperative Group: Standardisation, Patient optimisation, Data utilisation and digital maturity and Sustainable Workforce. ➤ DoF leads invited to SECB to support conversations around maximising understanding of ERF potential and discussion around how to benchmark across systems. ➤ Discussion around the need around a larger mapping exercise across system looking at Hub, IS and Theatre Utilisation against demand and how to readdress balance. ● Procurement: <ul style="list-style-type: none"> ➤ Outputs from AdviseInc platform to identify opportunities expected beginning of August 2024. 				

- Potential capacity identified for hard to recruit posts being explored actively.
- Discussions with London, Birmingham, and Manchester ongoing to understand learning and potential of a consolidated model.
- Connections made with Local Authority around energy contract learning.
- **Workforce:**
 - Concern shared around pay rates elements of the delivery plan and the distraction from the WTE growth priority.
 - Learning from Manchester to be explored.
 - Consideration of building in a quality metric into dashboard.
- **Service Reform:**
 - Principles of programme agreed including clinical led with a cash releasing threshold of at least £1m (allocative efficiency) for schemes to be focussed on initially.
 - Extensive analysis ongoing across several forums for consolidation to support work
 - 5 immediate areas identified for deep dive with leads identified (AQPs, GP OOH/UTC, Virtual Wards, ADHD Private Providers and IS Diagnostic Providers).

Assure:

- SRB Operational Transformation Director post and Elective Programme Director appointed to.
- MTFP Model being updated to reflect recent planning round and to be kept live with delivery of efficiencies.
- Continual accelerated progress on dashboard for 3 of the 4 live workstreams including identification of priority metrics to report into SRB showing actual Vs target dials with an agreed list of underpinning sub-measures.
- Paper to be shared with SRB around detailed roles and responsibilities, in respect of MTFP scope specifically, following a Q1 review of the programme.

Decisions/Recommendations

- Previously MTFP Funded resource agreed to be aligned to UEC to now move to support Service Reform workstream given this is now live
 - Wider piece of work to be undertaken about reviewing all the resource pointed at the live workstreams and understand if any potential for realignment.
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- No recommendations at this stage.

Risks:

Overarching high level risks initially included with mitigations identified. This will reduce in terms of detail in following summary reports:

- Engagement not sustained
- Diminished capacity on colleagues due to unprioritized programme of work meaning system requirements increase
- Continued industrial action and potential for politically led change
- Time spent on transformation outweighed by time spent on discussing allocation of resources across organisations
- Risk of duplication or missing opportunities

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|---|
| <ul style="list-style-type: none">➤ Non delivery of financial efficiencies in timeframes required➤ Risk of misalignment to national requirements.➤ Recruitment challenges |
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New Risks Identified:

Future additions to risks to be identified here.
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Report Completed by: Fiona Downs, SRB PMO Lead

Report Sponsor: Sam Allen & Sue Jacques, Co - SRB Chairs

Date: 01/08/2024

Appendix 1 – Governance Structure (as at July 2024 and will be amended)

