

Integrated Care Board

Date of meeting	10 January 2024
Title of paper	System Recovery and Transformation Programme
Presented by	Maggie Oldham
Author	Terry Whalley, New Models of Care Programme Director
Agenda item	13
Confidential	No

Executive summary

The System Recovery & Transformation Board (SRTB) met on the 19 of December 2023 to discuss and agree our recovery & transformation priorities necessary to accelerate delivery of the things that will make a difference in the remainder of 2023/24, will give us a solid pipeline for 2024/25 and enable us to achieve our 3-year financial recovery plan.

While Positive financial improvement can be seen to date in 23/24, with circa £400m of savings being forecast, cost pressures in certain areas has resulted in an overall deterioration in the system's ability to achieve the planned deficit of £80m. While we are above the national average in certain areas, good in some, our improvement trajectories need to demonstrate that we deliver on time what we set out to deliver, with full scrutiny on areas where milestones are missed.

This paper sets out priorities agreed at the December SRTB, with six programmes identified. Some lack specific objectives and we have limited program capacity and capability to drive and support programmes to deliver, and so the SRTB discussed potential options to address both including potential partnering to boost delivery with fees at risk to be paid from savings generated.

This approach will better enable us to continue some of the good work delivered this year and accelerate those programmes most likely to deliver sufficient benefits as part of our 3-year financial recovery plan. A strong emphasis is placed on accelerating current schemes, e.g. "One LSC Corporate Services" while adding additional schemes such as the rolling programme of fragile service improvements and service reconfigurations.

It is anticipated that this approach will also enable us to begin making progress on some of the more transformational new models of care that are essential for our longer-term sustainability, including the necessary shift to community centric models of care.

Recommendations

The Integrated Care Board is asked to note this paper.

Which Strategic Objective/s does the report relate to:		Tick
SO1	Improve quality, including safety, clinical outcomes, and patient experience	X

SO2	To equalise opportunities and clinical outcomes across the area	X
SO3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees	X
SO4	Meet financial targets and deliver improved productivity	X
SO5	Meet national and locally determined performance standards and targets	
SO6	To develop and implement ambitious, deliverable strategies	X

Implications

	Yes	No	N/A	Comments
Associated risks	X			Detailed risk registers will be maintained by each programme in scope of recovery & transformation
Are associated risks detailed on the ICB Risk Register?	X			The scope of work will positively support mitigation of risks 019 (NOF ratings) and 008 System Financial Sustainability)
Financial Implications	X			The benefits delivered by the recovery & transformation programme are an essential contribution to our 3-year financial recovery plan

Where paper has been discussed (list other committees/forums that have discussed this paper)

Meeting	Date	Outcomes
System Recovery and Transformation Board	19 December 2023	The paper was noted and the proposals within endorsed.
Executive Team	2 January 2024	

Conflicts of interest associated with this report

Not applicable

Impact assessments

	Yes	No	N/A	Comments
Quality impact assessment completed			X	Appropriate QIAs will be undertaken by programmes within recovery & transformation scope
Equality impact assessment completed			X	Appropriate EIAs will be undertaken by programmes within recovery & transformation scope
Data privacy impact assessment completed			X	There is no data privacy impacts associated with this paper

Report authorised by:

Maggie Oldham, ICB Deputy CEO and Chief of Recovery & Transformation.

Integrated Care Board – 10 January 2023

System Recovery and Transformation Programme

1. Introduction

- 1.1 The ICB entered its first part year with significant financial pressures due to a complex mix of legacy issues.
- 1.2 We should acknowledge and recognise positive work from so many of our colleagues under very difficult circumstances across our system. Together, we have made significant progress in 23/24, delivering almost £400m of benefits across the system via Cost Improvement Plans (CIP) across the ICB and our five NHS Trusts, with more recurrent benefits than in previous years.
- 1.3 However, significant in-year events have created additional financial pressures against the agreed £80m system deficit plan. This underperformance will add to the ask placed upon us as we plan for 2024/25 and the following 2 years as part of our medium-term financial plan.
- 1.4 Our predominate problem as a system is delivering at pace what we set out to do. We have plans to strengthen the leadership and reporting of prioritised programmes, and we are actively engaged in creating a culture across our system of delivery and achievement. We need a long-term approach with realism about delivery in each of the next 3 years. Dialog continues with regional and national colleagues as to the recommended support actions to ensure we are emboldened not weakened as we seek to build momentum on delivery.
- 1.5 We know that our longer term clinical, operational, and financial sustainability requires models of care that not only meet the health needs of our communities, but demonstrate they are affordable, and that they benchmark well with the performance indicators of the best examples in the NHS. We cannot simply cut the costs of what we do today, we need to reimagine what we deliver and how we deliver it in the future. Yes, we need to seek to optimise what we have in the next 3 years, but it is the new models of care that will enable our long-term sustainability.
- 1.6 The System Recovery & Transformation Board has reviewed our system work programmes, many of which have contributed significantly to the in-year benefits that have been delivered, and this paper describes the priorities that have been agreed. This will enable us to establish the right plan for 2024/25 that can deliver what is required.

2. Our Vision

- 2.1 We know that LSC has some of the worst health outcomes and inequalities in England. Forecasts of demographic change will mean that the current dependence on an acute centric model will be overwhelmed by significant growth in frailty and mental health issues.

- 2.2 We therefore need a radical shift from an acute model to a community centric model. This will mean a major expansion of care closer to home and much bigger roles for primary and social care in the community.
- 2.3 We can set out in high-level terms our future vision where we centralize and consolidate what we must, but shift to local, community and/or virtual delivery whenever we can to provide safe, effective, and affordable services that meet the needs of population in 2035.
- 2.4 We have the opportunity with our New Hospitals Programme to move toward a model based on a single world class tertiary / teaching center and a district general hospital model that makes the best use of all our secondary care assets, and improved community and primary care offers in all places and our local neighborhoods, working in partnership with the voluntary sector.
- 2.5 System leaders recently held two very significant workshops; an (acute) Clinical Strategy Configuration event on 17 November and a Transforming Care in the Community event on 22 November.
- 2.6 These two sessions, along with our stock-take of current Recovery & Transformation projects, have reaffirmed our view that there are 3 key inter-related arms to our clinical strategy each with a 1–3-year recovery focus and a long-term transformation ambition:
 - **New Models of Care:**
 - A redesign and service reconfiguration of acute and community sectors leading ultimately to the new hospitals being built by 2035.
 - Integrated Community Care, including a significant improvement in our out of hospital offer, measures to deal with frailty, prevention and tackling inequity, holistic integrated neighborhood teams and crisis support.
 - Mental Health and Learning Disabilities and Autism to reduce Out of Area Placements and develop our community model.
 - **Clinical Effectiveness:** reducing mortality and morbidity by moving clinical pathways to upper quartile performance, delivering on GiRFT opportunities, and tackling health inequity.
 - **Quality Improvement:** supporting all 5 trusts to CQC good or outstanding, and SOF 1 or 2.
- 2.7 All 3 arms require enabling work steams (workforce, digital, estate, leadership and research / innovation).
- 2.8 Combined with a fresh approach to more strategic commissioning and using a rolling programme to improve fragile services to segue from tackling short term recovery issues to achieving our long-term clinical strategy, we can break the loop and start to deliver sustainable improvement in our use of resources while at the same time tackling inequity and improving outcomes.

3. Recovery & Transformation Priorities

- 3.1 To ensure there is appropriate focus in delivering against the recovery and transformation priorities an assessment of the current scope of portfolios of work has been undertaken. This has considered levels of impact and contribution towards the following objectives: -
- Improve CQC ratings across provider organisations to good or outstanding.
 - Contribute to our financial recovery plan to ensure balance by 2026/27.
 - Improve our SOF ratings to Level 2 or better.
- 3.2 The assessment considered maturity of **governance** and processes, clarity on potential **benefits** and outcomes and the degree of **strategic alignment** with / contribution toward the objectives above.
- 3.3 Taking account of the assessment above, building on existing foundations but being clearer on the system schemes that will deliver both a contribution toward the 3-year financial recovery plan but also start to enable our essential new models of care transformation, the following priorities have been agreed for the scope of our recovery & transformation programme.
- 3.3.1 **Urgent & Emergency Care.** Unchecked, demand for unplanned urgent & emergency care will continue to escalate and this represents the biggest risk to our sustainability. We will prioritise the development of our urgent & emergency care strategy including the role of future District General Hospitals (DGH), Urgent Treatment Centres and other system assets. There will be a strong connection between the UEC needs and the solutions that need to be delivered in Community settings.
- 3.3.2 **New Models of Care in the Community** – Very much aligned to individual Place needs, this will focus on population health schemes (Core20plus5), 2-hour urgent response in the community, intermediate care (step up and step down), integrated neighbourhood teams and strengthening primary care and virtual care in community settings with a particular focus on moving long term condition management to primary Care starting with Diabetes. Consistent with fragile service approach in hospital settings, we will develop a rolling programme to improve ‘vital & vulnerable’ services.
- 3.3.3 **New Models of Planned Care** –this will focus on transformational elements including Surgical Hubs, Independent Sector Strategy and Outpatient Transformation.
- 3.3.4 **New Models of Care in Hospitals** – this will focus on establishing a rolling programme to deal with fragile services, starting with Haematology, Gastro and Orthodontics along with acceleration of extant Stroke and Children and Adult Mental Health Services (CAMHS) work. We will accelerate Clinical Service Reconfiguration starting with Vascular, Head & Neck, Urology and Cardiology and deliver on the huge GiRFT improvement opportunities. In parallel, we need a 3–6-month focused planning initiative to define, based on the needs of our

population, the vision for our future clinical service configuration. This will help to inform requirements for the New Hospitals Programme as well as establishing a roadmap for delivery.

3.3.5 Diagnostics Portfolio – A continuation of the pathology reconfiguration will remain a high priority for the Pathology Network, alongside acceleration of the digital enablement, joint procurement, repatriation of tests referred out and demand optimization. We will accelerate work on Endoscopy aligned with the Gastro fragile services work.

3.3.6 Central (Corporate) Services – Among the more established portfolios with maturing delivery plans, this portfolio is a key component of our 3-year financial recovery plan. The single collaborative bank (nursing and Allied Health Professionals) went live in December. The programme will now focus on adding Doctors to this and will seek to achieve £30m of savings on agency spend by 2026/27. The pace of transition to and subsequent transformation of **One LSC** Corporate Services needs to be accelerated, especially the People function, to ensure that £50m of recurrent savings are achieved by 2026/27. This needs to include a broadening of the scope of corporate roles included within One LSC

4. Conclusion

- 4.1 We need to be clear on our decision-making architecture if we are to accelerate delivery. The System Recovery & Transformation Board brings together the highest executive and non-executive stakeholders in the system and provides a clear route to ICB Board and Trust Boards.
- 4.2 To provide a more agile, timely direction as we balance short term recovery with longer term new models of care transformation, we have established a Steering Group made up of ICB and Provider executives. The System Recovery & Transformation Board will receive advice from a 'Clinical Advisory Group', chaired by the ICB's Chief Medical Officer, to ensure all matters of quality, safety, effectiveness, and coherence of clinical solutions are considered.
- 4.3 We will now focus our finite transformation resources on the priorities set out above. It is essential that we maximise the return on investment from this resource and drive an increasing pace of delivery to support both our 3-year financial recovery plan but also our long-term ambitions.

5. Recommendations

- 5.1 The Board is asked to note this report.

Maggie Oldham

21st December 2023