



NEL Sustainability and Transformation Plan Board

Minutes

Wednesday 24th August 2016
Newham CCG, Unex Tower, 4th Floor, Meeting Room FO24/FO21

Attendees:

Julian Nettel (JL)	Independent facilitator and chair programme board
Jane Milligan (JM)	Chief Officer, TH CCG & Executive lead for north east London STP
Anne Rainsberry (AR)	Regional Director NHS England (London)
David Slegg (DS)	Regional Finance Director NHS England (London)
Clare Highton (CH)	CCG Chair, City & Hackney CCG/ NEL Clinical Senate Chair
Henry Black (HB)	Chief Finance Officer, Tower Hamlet CCG/NEL STP Finance lead
Conor Burke (CB)	Chief Officer, BHR CCGs, NEL STP Transformation SRO
Matthew Hopkins (MH)	Chief Executive, BHRUT NEL STP/Provider Lead
Ceri Jacobs (CJ)	NEL DCO, NHS England
Alwen Williams (AW)	Chief Executive, Barts Health Trust, NEL STP Productivity lead
Joe McDonnell (JM)	Director of Public Health, Waltham Forest
Les Borrett (LB)	Director of Financial Strategy, Waltham Forest
David Maher (DM)	Deputy Chief Officer & Programme Director, C&H
Tracey Fletcher (TF)	Chief Executive, HUH, NEL STP Workforce lead
Navina Evans (NE)	Deputy CEO, ELFT
Hilary Ross (HR)	UCLP
Lee Outhwaite (LO)	NHS Improvement
Ralph Coulbeck (RC)	Director of Strategy, Barts Health Trust
Jacqui Van Rossum (JVR)	Executive Director, Int. Care (London) & Corporate Comms, NELFT
Nichola Gardner (NG)	NEL STP Programme Director
Don Neame (DN)	NEL STP Communications Lead
Joy Ogbonna (JO)	NEL STP PMO Support

Apologies:

Steve Gilvin (SG)	Chief Officer, Newham CCG, NEL STP Primary Care lead
Waseem Mohi (WM)	Chair, Barking and Dagenham CCG
Martin Esom (ME)	Chief Executive, London Borough of Waltham Forest/NEL STP LA Lead
Paul Haigh (PH)	Chief Officer, City & Hackney CCG
Nigel Burgess (NB)	Health Education England
Tom Travers (TT)	Chief Finance Officer/BHR CCGs
Sam Everington (SE)	CCG Chair, Tower Hamlets CCG/NEL STP Clinical Lead
Grainne Siggins (GS)	Director of Adult Social Care, London Borough of Newham
John Brouder (JB)	Chief Executive, NELFT
Terry Huff (TH)	Chief Officer, Waltham Forest CCG /NEL STP CCG Lead
Meradin Peachey (MP)	Director of Public Health, Newham /STP Public Health Lead
Rakhee Verma (RV)	Head of CE Office
Russ Platt (RP)	Specialist Commissioning, NHS England
Oliver Excell (OE)	NEL STP PMO Manager

1. Welcome and Introductions

JN welcomed everyone to the meeting and noted apologies.

2. Minutes and matters arising

The minutes from the last meeting were approved. Correction was made to agenda Item 6: to have a clear understanding of what was agreed for the development of a resource plan and delegation for planning process. CH queried whether the Board had delegated the decision about PMO resourcing to the Finance and Activity (F&A) Steering Group, as this was not her recollection.

The Board recognised that resourcing the PMO is a significantly high risk going into the next phase of STP delivery. The agreed principle for resourcing the PMO team was that organisations would identify individuals with the right skill sets who could be released to the team (This process is underway and due to be completed by 6 Sept 2016). Where any gaps remained after this process, the resourcing plan would reflect these gaps. It was agreed that the F&A Steering Group develop the resource plan and this will then be brought back to the STP Board for approval. The plan should be in two phases. The first setting out the resources required until 1 January 2017 to support the October submission and Operating Plan process. The second to support the longer term delivery of the STP, with NEL wide priority work streams.

CB suggested that a smaller, additional meeting of some Board members could be arranged ahead of the next Board meeting to finalise the resourcing to enable the programme to move ahead with pace.

Action: F&A Steering Group to develop the two phase resourcing plan for approval at the September 2016 STP Board. **HB.**

3. Update from meeting with NHS England and process for STP submissions

AR gave a verbal update of the July 14th NHS England/NHS Improvement and a follow up regional workshop on the 29th July highlighting key messages:

- Positive recognition of the progress made by north east London, also of the financial modelling that has been completed so far.
- Recognition that there is progress already on the priorities highlighted in the 14 July discussion.

However, she noted that there are areas that the STP should still focus on, including:

- The need to secure a sustainable provider and commissioner landscape. Noting that in NEL the solution lies with the commissioners working in greater collaboration than with the providers.
- The need for pace in implementing the STP priorities.

- Strengthening the governance and collective leadership. AR noted that the NEL Sustainability and Transformation Plan (STP) SRO JM has been released full time to take overall leadership for this process, fully supported by HB, NEL STP Finance lead and NHSE/NHSI Regional Directors.
- Considering further provider CIP and CCG QIPP opportunities to mitigate the risks in the financial modelling, including the down-side risks if anticipated population growth and consequent CCG financial allocations do not come to pass.
- Integrating financial modelling into a single analysis for the whole STP, achieving the financial objectives in the guidance, including balancing the finances at system level.
- Further developing at pace and accelerating plans for primary care and other services to realise ambition to provide more care in community settings, including the proposals for out of hours services, to address the significant population growth locally.
- Strengthening further the clinical and financial business case for the proposed service transformations, including setting out year-on-year benefits.
- Make links with neighbouring STPs that could provide opportunities or obstacles to planning.
- A robust appraisal of the options to deliver the changes associated with KGH paying due regard to the clinical and financial issues arising from each. Plans should be included to mitigate these concerns in the periods up to the transitions, particularly during Winter 2016/17. KGH is the litmus test for the STP, and must be implemented at pace as 2019 is not a viable timeframe, given the clinical safety issues.
- AR noted the NEL request for retention of capital receipts, and highlighted the constrained capital environment. She highlighted the need to develop a NEL estates plan that in the main part sought to resolve capital requirements through local disinvestments and re-investments, and ensuring all opportunities associated with one public estate are fully exploited. The estates and capital plans must be clear about their return on investment and benefits.

Accountability/Governance – Simon Stevens and Jim Mackey will lead a national meeting involving the regulators on the 9th Sept to explore delivery of STP post 21st Oct and the governance required for STPs, and then at sub STP and local levels. It is anticipated that there will be guidance issue at the end of September.

NHSEL are in discussion with the Mayor and NHSE about devolution in London and expect to make a decision by December. This discussion also involves looking at capital in London and delegated powers, potentially at STP footprint level.

4. Programme Update/ Update on the NHSE/NHSI asks from the 14th July

NG gave a brief update on the progress of the STP programme to date highlighting activities completed and upcoming activities, key milestones, risk and issues. She noted the feedback letter received from NHS England in response to the meeting held on the 14th July and reported the group are working on the issues raised, including a new addition of mental health development. The works streams are mobilised and developing their delivery plans for the October submission.

Key milestones are:

- 12 September: STP checkpoint for October submission with NHSEL
- 16 September: finance submissions including more detail on capital, efficiency sources and investments for all STPs
- 20 September: publication of NHS planning guidance for 2017/18 and 2018/19
- 21 October: full STP submissions including an updated finance template
- 23 November: CCGs and NHS providers to share first drafts of operational plans for 2017/18 and 2018/19
- 23 December: CCGs and NHS providers to finalise two-year operational plans.

The PMO team have put together a forward planner that captures all meetings, meeting representatives, and key decisions taking place ahead of the 21st October submission. A draft will be circulated to the Board by next week for planning purpose.

AW highlighted the value of the forward planner's section on key decisions, as this will assist in the governance discussions.

Action: NEL STP forward planner to be circulated to the Programme Board to support the governance working group. **PMO**

6. Update on KGH Emergency Department plan

MH gave a verbal update on KGH Emergency Department plan, considering feedback from recent NHSEL meetings, and highlighting progress and actions. MH highlighted the capital requirement needs to be finalised, the tight time scales, and the need to agree a streamlined business case process with NHSI.

MH reported the next steps include: reviewing the revenue implications, double running costs, ensuring a robust risk assessment (especially for the night closure) and completing the financial modelling (ensuring this feeds into the STP modelling) and development of the business case.

7. Proposed updated NEL STP governance arrangements

A paper was discussed proposing a deliberative approach to developing new governance arrangements, following outputs from the system governance and planning workshop on 8th July. The current governance arrangements for the North East London STP programme were designed to oversee and direct the development of the draft North East London STP document that was submitted to NHS E on 30th June. Following the submission the draft NEL STP to NHS E on 30th June we have moved into the next phase of the programme, focused on the operating plan process and delivery of the STP priorities.

The key challenges for this new phase include:

- The tension between the existing organisationally focused governance arrangements versus the need for system wide arrangements
- Identifying where NEL level decision-making is required and the means to support this
- Determining the right level of delivery: NEL versus local
- Securing buy-in and commitment
- Local Authority, clinical, patient and public representation needs to be strengthened
- Ensuring alignment with the regulatory framework

The Board was asked to approve establishing a governance working group, which will:

- Quickly develop a proposal for the governance arrangements required to support the October submission and operating plan process up until January 2017. This proposal will come to the Board in September for implementation in October.
- Develop the longer term governance arrangements for the on-going delivery of the STP, with the aim of running in shadow form until April 2017, to enable the arrangements to be reviewed and revised as they develop in this period. This will enable a more inclusive and engaging approach, and time to involve the necessary expertise and best practice and to comprehensively understand the key implications and align with the existing governance arrangements of organisations.

Discussion of the proposal included:

CH suggested it would be helpful to restate the principles originally agreed for the STP as part of the governance working group's work.

She questioned how clinical leads will contribute to the development of the governance. JM informed the Board that she has met with representatives of the LMCs, which are supportive of the STP and governance approach and will supply nominations of clinicians to be involved in the work streams.

CH emphasised the need to recognise the existing statutory governance arrangements as no other governance arrangements currently have legal or statutory authority, and highlighted the sovereignty of organisations. She also highlighted the principle of subsidiarity in relation to STP decision-making and the wish of her governing body to uphold this, and informed the STP Board that the C&H governing bodies would not be supportive of ceding decision-making on the financial or clinical strategies. She stated that the existing agreed levels of decision-making were appropriate and that the focus of the STP should now be on demand management and testing the plans for value for money. She highlighted the need for the Clinical Senate to have a meaningful role in developing the clinical strategy.

CB highlighted the need for clear milestones and the ability to make collaborative decisions in 16/17 to progress a challenging agenda and priorities immediately. It is vital to accelerate the governance arrangements to enable this.

AW suggested the need to delineate the immediate issues requiring decisions and a set of governance arrangements (those associated with the October submission and operating plan process) and those then needed for the longer term delivery of the STP. The 14 July feedback letter is helpful in this regard and should be used as the basis of the delineation.

CH raised questions relating to lack of investment in primary care and the risk this poses to STP delivery. DS clarified that investment monies were available through growth, the GP Five Year Forward View and the drawdown.

In response to the discussion AR was clear that the ideal position is that all partners approve and support the governance arrangements for their STP footprint, recognising the principle of collaboration and system-working/responsibility. Where a consensus is not reached, then NHSE and the regulators will support the majority consensus and will take a view on those parts of the system remaining outside of that consensus.

The Board welcomed and approved the governance working group and members agreed to provide nominations to the group to JM. Nominations should be put forward on the basis of their governance expertise, rather than to represent individual organisations. There would be coverage of expertise in provider, commissioner and Local Authority governance. The group would be kept to a manageable size.

Action: Nominations to JM required within the week to enable the group to start work in September. **ALL.**

Action: As part of the task of the governance working group, restate the STP principles within governance arrangements – **Governance Working Group.**

Action: Quickly develop a proposal for the governance arrangements required to support the STP work between now and January 2017. This proposal will come to the Board in October.- **Governance working group**

8. Update on development of NEL system level financial strategy and system control total.

HB presented a paper on the NEL financial strategy.

NEL STP is required by NHSE/I to devise and implement an overall financial strategy for the NEL health economy and to also agree a 2016/17 overall control total. Discussions have taken place at various meetings to shape the financial strategy. The paper seeks to set out the issues identified, the proposals identified to deal with those issues, and the areas which still require further work and attention.

The proposed way forward is to agree an overall financial strategy and control total for NEL STP as a whole, which also comprises of control totals for individual organisations. The proposed mechanism through which a single system control total would be delivered follows two stages:

1. Each organisation to produce refreshed FOT analysis for 16/17, from which a system wide FOT can be derived and any potential gap identified.
2. Once the scale of any gap is established and validated, the other partners in the STP would need to increase surpluses to offset deficits elsewhere and bring the aggregate system total into balance in line with initially agreed plans. For the purposes of clarity, this would not result in any additional payments but would be managed through increased surpluses.

There are a number of key issues that still require further thought and consideration these include but are not limited to:

- Setting of individual control totals as well as STP wide, and the interaction between individual control totals.
- Any support that may be available, and how this would be distributed.
- The handling of situations where organisations are unable to hit their control total.
- Risk share arrangements.
- What is the acceptable balance between performance/access/quality targets and the financial position?
- An understanding of the remedial plans currently being worked up in financially distressed organisations and how these will impact on others.
- Barts Health FOT refresh following completion of financial special measures report. This was initially expected by 24th August but is now likely to be mid-September. Consideration needs to be given to the value of attempting to start the exercise without this input.
- BHR CCGs FOT refresh, this is expected by the end of the week of the 22nd August.
- Triangulation of provider income and CCG expenditure assumptions between all STP partners based on the refreshed FOT work described above, including establishing whether there is flexibility within the system to offset the pressures elsewhere. This will include CCGs' 1% non-recurrent reserve, plus any additional flexibility that exists within other partner plans.
- Establishing the total gap and firming up a revised set of individual organisation control totals required to deliver the overall control total as required.
- Implementing and monitoring all of the above will be delivered through the F&A Group which meets fortnightly. This has representation from each of the provider DoFs and CFOs, as well as NHS England as a commissioner of specialised services, and both NHSE and NHSI as regulators.

Discussion of the paper included:

DS highlighted a refreshed financial position is critical to the October submission.

CH questioned the ability of organisations to work in this way, given the constrained financial environment and that no providers and few CCGs are predicting a surplus and C&H are unlikely to achieve a surplus this year.

DS was clear that the real test of the STP how organisations support each other to achieve financial balance across a footprint, this goes beyond using the 1% surplus. A shared view of outturn for 16/17 is crucial.

9. Proposed NEL Estates roadmap and governance/decision making options

RC presented a paper on the STP estates strategy development and route map, including:

- Use the STP service transformation model to determine estates infrastructure requirements for primary care, community, acute (maternity, elective and emergency), mental health and non-clinical services
- Use demand and capacity modelling to develop estimates for future requirements
- Collate each organisations' current estates development plans to provide a complete overview for each borough and NEL as a whole
- Create an overview of the capital programme and projects within NEL
- Identify savings opportunities from reduced voids, increased utilisation and co-locations
- Commission assurance for investment and savings assumptions
- Create a costed, consolidated NEL Estates Strategy with an enabling programme of work with key milestones / deliverables that is aligned with other STP work streams (transformation, productivity, workforce, informatics)

The Infrastructure work stream sought clarity on the scope of its work and decision-making. The Board approved the recommendations presented.

Discussion points included:

MH raised point of clarity in regards to the KCH development cited in the paper.

DS noted that the devolution work on estates in NCL was helpful.

CH emphasised the need for subsidiarity to apply in the development of the estates strategy and that the strategy should not focus on primary care estates or work at the borough level as this would be duplication.

AR noted that NHSEL is establishing a London office that will bring together expertise on estates, involving the GLA. NHSEL will provide a briefing on this.

Action: Making reference to slide 9, point 6b, wording to be changed from King's George's Hospital development to "Developments at Queens and Whipps Cross Hospital- **RC**

Action: DS offered to share the devolution thinking on estates to help shape the way forward. **DS**

10. Updated communications and engagement strategy.

An updated paper on the STP communications and engagement work was presented to the Board by DN. The paper sets out the proposed arrangements for communicating the development of the Sustainability and Transformation Plan (STP) for north east London (Barking and Dagenham, City and Hackney, Havering, Newham, Redbridge, Tower Hamlets and Waltham Forest). Key highlights include:

- Health watch to undertake the public engagement, developing a communications group to identify issues and concerns and come up with possible solutions and implement them
- There is a meeting with communications leads in the next month to ensure consistency in work approach and avoidance of work duplications.
- There is a meeting with Save our NHS on 16th Sept to discuss the STP plan

Concerns were raised around the interface with local plans currently underway or in development (Transforming Services Together (TST) in Newham, Tower Hamlets and Waltham Forest, the development of an Accountable Care Organisation (ACO) in Barking and Dagenham, Havering and Redbridge, devolution in Hackney). DN and the STP team are sensitive to these issue and will ensure the necessary interfaces. The Board approved the proposed arrangement for communication presented.

11. AOB:

- Julie Lowe will be starting with the team on the 5th September as Director of Provider Collaboration, supporting the Provider Alliance and provider-facing work streams, including the provider productivity and infrastructure work streams. She will be hosted with BHRUT.

12. Date of Next Meeting

- The next programme board meeting is scheduled for 20th September 2016 at Newham CCG, Unex Building, Stratford.

Summary of Actions:

Ref	Action	Owner	Due Date	Status
01	F&A Steering Group to develop the two phase resourcing plan for approval at the September 2016 STP Board.	HB	1 st September	Closed
02	Programme Update/ Update on the NHSE/NHSI asks from the 14th July: NEL STP forward planner to be circulated to the Programme Board to support the governance working group.	PMO	12 th September	
03	Proposed updated NEL STP governance arrangements: Nominations to JM required within the week to enable the group to start work in September.	ALL	12 th September	
04	As part of the task of the governance working group reinstate the STP principles within the governance arrangements	Governance working group	20 th September	
05	Quickly develop a proposal for the governance arrangements required to support the STP work between now and January 2017. This proposal will come to the Board in October	Governance working group	20 th September	
06	Proposed NEL stated roadmap and governance/decision making options paper: DS offered to share the devolution thinking on estates to help shape the way forward	DS	1 st September	
07	Proposed NEL stated roadmap and governance/decision making options paper: Making reference to slide 9, point 6b, wording to be changed from King's George's Hospital development to "Developments at Queens and Whipps Cross Hospital.	RC	1 st September	



Summary of key decisions:

01	Proposed updated NEL STP governance arrangements: The Board welcomed and approved the governance working group and members agreed to provide nominations to the group to JM
02	Proposed NEL Estates roadmap and governance/decision making options: The Board approved the recommendations presented
03	Updated communications and engagement strategy: The Board approved the proposed arrangement for communication presented.