

DRAFT – POLICY IN DEVELOPMENT



NORTH EAST LONDON
SUSTAINABILITY & TRANSFORMATION PLAN

Transformation underpinned by system thinking
and local action

Delivery Plan 4 of 8: Provider Productivity



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Initiative map

Our approach

There are a wide range of programmes that support our aim for productivity across our NEL provider Trust organisations. These are outlined in our narrative plan for north east London. We have agreed through the STP the best level at which each programme should be led and delivered within the health system. We have done this based on the partnerships and scale required to best implement the specific programmes, using the following rationale for choosing to progress an initiative at a north east London level:

1. There is a clear opportunity / benefit in doing it jointly (which is above and beyond what would be achieved through a local programme), to deliver improvement in terms of finance, quality, or capacity;
2. Doing something once is more efficient and offers scale and pace;
3. Collective system leadership is required to make the change happen.

We set out these different levels below.



NEL STP Level

- Consolidation of corporate services: Developing a flexible and scalable shared services model for our back office functions where this will release value for NEL;
- Bank & Agency: Agreeing NEL wide rates of bank and agency pay and a shared bank service;
- Procurement: consolidating and standardising key consumables list and moving to NEL wide contracts where feasible e.g. on patient transport
- IT: Maximising opportunities for procuring and delivering services at scale.



Local Area Level

- Pathology: Developing options for collaboration and consolidation;
- Bank & Agency: Locally agreed rates of bank & agency pay where appropriate.
- Procurement: Locally agreed buying prices where appropriate.



CCG / Borough Level

- Local CIPs plans and stretch targets. This delivery plan focuses on initiatives over and above individual organisation's CIP plans.



London-wide

- Consolidation of corporate services: NHS Improvement benchmarking and business case development;
- Procurement: Alignment to London workstream and national NHS supply chain work on negotiation of best price list;
- HR back office: London HR Transformation programme.
- IT back office: London benchmarking
- Finance: Future Focused Finance



Delivery Plan on a Page

Vision

Sustainable NHS provider Trusts across NEL which are enabled to meet the needs of the local populations and communities that they serve by working collaboratively to find new ways of delivering productivity and efficiency

Background and Case for Change

Through the STP development our NHS provider Trusts have come together to assess opportunities for collaboration in non-clinical areas. NEL providers currently spend £113m on central procurement, finance, HR and IT functions. We have already realised some collaborative savings, with Homerton, Barts Health and ELFT using a shared-service centre for payroll, and Homerton and Barts sharing their financial systems. Trusts also have aggressive internal CIP plans with regards to back office functions.

We are taking forward 5 productivity workstreams which align with national and regional priorities. NHS Improvement has given clear guidance for all Trusts to consider where corporate services may be consolidated across STP footprints and all of our productivity workstreams are considering what a flexible and scalable shared service model could look like for us. The NHS Supply Chain has negotiated a national best price on key products. In NEL we will utilise this and look for opportunities to agree a NEL best price on other products. The national blueprint of a Future Focused Finance has outlined what good looks like and our plans seek to ensure that our finance functions help us to be sustainable and forward facing organisations. We are working in parallel with the Londonwide HR Transformation work to reduce bank and agency costs by developing a NEL wide rates card and approach to managing temporary staff. Our IT workstream will consider how at scale provision of business intelligence and analytics might support emerging models of care (e.g. ACS) as well as delivering efficiencies on telecoms, shared data services, and network services.

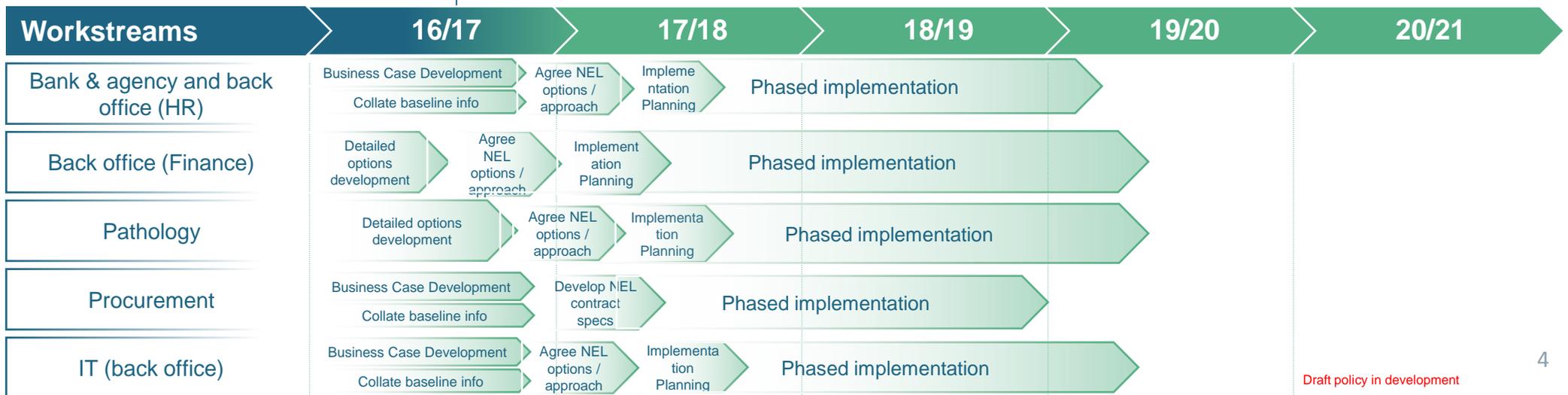
Our focus for Pathology productivity is to deliver a sustainable service whilst maximising the savings opportunities available through collaboration and potentially consolidation. We also recognise there are significant opportunities for releasing efficiencies through clinical productivity and in the STP narrative documents we have described the NEL wide approach to this.

Expected Impact (Non-clinical)

- Reduced provider Trust combined back office costs (potential savings opportunities identified as up to c.£10.7m)
- Reduced provider Trust bank and agency costs (potential savings opportunities identified as c.£8.6m)
- Reduced provider Trust pathology costs (potential savings opportunities identified c.£3.5m)
- Reduced provider Trust procurement costs (potential savings opportunities identified as c.£7.6m)

Priorities and Objectives

- To develop a flexible and scalable shared services model for our back office functions where it improves productivity and value for NEL;
- To capitalise on the savings opportunities available through procuring and operating goods and services at scale;
- To utilise benchmarking, peer collaboration and best practice sharing to ensure that all of our organisations are providing high quality services for our local populations and communities.





Detailed Plan - Workstream 1: *Bank & agency and back office (HR)*

Vision

A reduction in the cost of temporary staffing across NEL's NHS provider Trusts through developing consistent practices and rates for engaging bank and agency staff. To improve the productivity of workforce functions across NEL through collaboration across our NHS provider Trust organisations to develop a shared service model

SRO:

Matthew Hopkins, Chief Executive, Barking Havering and Redbridge University Hospitals

Delivery lead:

Daniel Waldron, Director of Organisation Transformation, Homerton University Foundation Trust

Case for change

At present, NEL spends £196m with agencies. Each organisation has CIP targets aimed at reducing this, but there are further opportunities through sharing data and approaches to managing temporary staff. We aim to develop consistent practices to attracting, contracting, remunerating and managing bank staff.

Examples from industry suggest that 12%-25% could also be saved through collaboration and a shared HR back office service model. The London HR Transformation Programme is developing a baselining, benchmarking and modelling methodology to support the development of shared services and NEL provider Trusts have committed to participating in this. This will be a secondary care provider project initially but we would look to expand the scope over time e.g. to primary care.

Objectives

- To reduce temporary staff costs through establishing a common approach to agency management
- To reduce the demand for temporary staff through collaboration;
- To reduce temporary staff costs through establishing a common approach managing staff banks;
- To develop a flexible and scalable shared service model that improves productivity and value at an STP level.

Initiatives		Enablers	Benefits and Metrics	Deliverables
1	Benchmark current bank and agency rates and agree a single NEL rate card.	Stakeholder engagement: to ensure NEL wide agreement	Reduced transactional costs through collaborative working and establishing a shared approach to setting and managing bank rates	<ul style="list-style-type: none"> • A shared rates card for bank and agency staff. • A NEL wide approach to managing and remunerating temporary staff that maximises value for money at a provider and sector level
2	Establish a shared and consistent set of policies and procedures for managing temporary staff supply and demand including a single approach to roster management.	Technology: to maximise e-rostering capabilities; Procurement: to negotiate with local agencies	Reduced transactional costs through establishing a shared approach to managing supply and demand	<ul style="list-style-type: none"> • A NEL approach to managing temporary staffing • A NEL approach to e-rostering
3	Base lining, benchmarking and modelling of workforce functions to inform an option appraisal of workforce shared services solutions.	Stakeholder engagement: to carry out benchmarking. London workforce modelling	Identified best practice and lowest price service model based on London workforce modelling	<ul style="list-style-type: none"> • Options appraisal of workforce shared services solutions
4	Establish agreed approach to shared services including any requirement for a shared temporary staffing function.	Engagement: to agree preferred option	A flexible and scalable shared service model that improves productivity and value at an STP level	<ul style="list-style-type: none"> • Shared back office solution that delivers the triple aim of improved value for money, customer satisfaction and staff satisfaction.



Detailed Plan - Workstream 2: *Back office (Finance)*

Vision

The NEL healthcare provider Trusts are committed to working closely together and sharing finance expertise and resources to achieve upper quartile cost performance and best in class levels of service. We will achieve this through lean process designs, leveraging the functionality of leading edge technology and investing in the training and development of our staff

SRO:

Matthew Hopkins, Chief Executive, Barking Havering and Redbridge University Hospitals

Delivery lead:

Jonathan Wilson, Director of Finance, Homerton University Hospital NHS Foundation Trust

Case for change

NEL providers recognise the financial pressures on the NHS and the opportunities for productivity in accordance with the recommendations set out in the Vision and Blueprint for finance in the NHS.

Transforming the business functions across NEL's providers will require freeing up resources from transactional work and supplying the tools for delivering insightful information on the organisations e.g. by maximising benefits of technology, sharing best practice and through supporting the workforce to shift from providing transactional activities to adapting a future focused role.

Objectives

- To consolidate transactional finance functions in a shared service facility or by using business process outsourcing (BPO) providers;
- To develop a flexible and scalable shared service model that improves productivity and value at an STP level
- To rationalise and standardise transactional functions in procure to pay, order to cash, accounting to reporting and planning to budgeting;
- To have an accounting function that offers self service to end users, automates as much of the processing as possible and accounts for the transactions correctly first time;
- To build on the work undertaken by the Future Focused Finance initiative in developing a vision and blueprint for the service and to collaborate and share best practices so that by mid-2017, all organisations will be at the same maturity level on each of the detailed levels set out in the FFF diagnostic tool.

Initiatives		Enablers	Benefits and Metrics	Deliverables
1	Implement a common financial platform operating as a shared service or outsourced to a business process specialist	Technology: to deliver shared platform	Reduced finance back office costs	<ul style="list-style-type: none"> • Consolidated transactional finance functions in a shared service facility or by using BPO providers
2	Explore options for sharing scarce specialist resources such as costing and financial planning and investment analysis	Stakeholder engagement: to develop options and agree preferred approach to sharing specialist resources	Reduced finance back office costs and improved quality of financial analysis through sharing specialist resources	<ul style="list-style-type: none"> • Agreed approach to shared scarce specialist resources
3	Develop standardised, role specific business analysis dashboards	Stakeholder engagement: to agree standardised dashboards	Reduced finance back office costs and improved quality of business analysis through sharing best practice	<ul style="list-style-type: none"> • Shared format of provider accounts with common role specific dashboards combining financial and activity data
4	Develop specification for a collaborative planning tool and undertake competitive tender and commence implementation	Procurement: to develop specification	Reduced finance back office costs through procurement of tool at scale. Improved quality of financial through use of a collaborative planning tool	<ul style="list-style-type: none"> • Collaborative planning tool for forecasting and financial planning



Detailed Plan - Workstream 3: *Pathology*

Vision: To work together across North East London in delivering quality, financially sustainable and cost effective pathology services which reflect the needs of the local hospitals and the communities they serve. To collaborate (and possibly consolidate services) as supported by the case for change.

SRO:	Matthew Hopkins, Chief Executive, Barking, Havering and Redbridge University Hospitals Trust
Delivery lead:	Jason Seez, Director of Planning and Governance, Barking, Havering and Redbridge University Hospitals Trust & Simon Milligan, Director of Capital, Costing and Development, Barts Health

Case for change

There is a need to support & enabling care pathways which improve patient experience of care. We have a national and regional mandate to review pathology service provision for productivity at a health economy level and other models of consolidation (S W London Pathology and Kent Pathology Partnership) to learn from. A growing demand for pathology services means we may not be financially sustainable in the future. There are currently differing practices within the three acute trust services for procurement and contracts, IT and test ordering and reporting processes. We have identified opportunities to build on individual Trust plans:

- Proposed service changes to centralise services across BHRUT including a hot/cold split
- Proposed services changes set out in Homerton's options appraisal;
- Proposed service developments at Barts Health;

Objectives

- Design and delivery of appropriate and best practice services across the network and within each individual Trust
- Design and delivery of clinically efficient and quality services which meet the needs of patients and commissioners
- Design and delivery of services which are able to meet demand, meeting key quality and operational standards and targets
- Joint/collaborative working between Trusts to reinforce clinical practice and strengthen the local workforce
- Deliver financial savings of £3m-£5m on a sustainable basis without compromising on quality of care and whilst improving patient pathways

Initiatives		Enablers	Benefits and Metrics	Deliverables
1	Options development and evaluation of longer term collaboration and consolidation	Stakeholder engagement: to review Trusts' current plans and develop future options; Review of case studies for consolidation	Reduction in under-utilised capacity for activity re-routed to NEL Trusts - activity and financial impact	• Options appraisal for long term collaboration and consolidation of services
2	Review test ordering processes to identify potential to move to a NEL test	IT: including GP links; Workforce: training and development	Reduction in pathology back office costs	• Review test ordering processes
3	Review outsourced contracts to identify activity which could be brought back in house to NEL partner Trusts.	Contracts: Specialist service provision	Realised financial savings from moving to favourable contractual terms for procurement Reduction in sendaways for activity re-routed to NEL Trusts - activity and financial impact	• Review of current outsourced contracts
4	Review capacity and demand across NEL partner Trusts to identify surplus capacity to alleviate demand pressures.	Activity and demand modelling: Demand management initiatives; Transportation	Best possible use of existing capacity and reduces the need to invest in additional capacity in the future	• Capacity and demand modelling
5	Review contracts (reagents, consumables, equipment, IT) for opportunities to amalgamate and reduce price.	Procurement (Contracts) IT (including GP links)	Realised financial savings through moving to NEL wide contracts	• Shortlist of priority contracts to be procured at scale across NEL
6	Review the potential for joint posts and combined on-call arrangements to alleviate recruitment pressures and generate savings.	Workforce: to agree approach to shared staff arrangements	Reduction in on-call costs	• Agreed approach to joint posts / on-call arrangements



Detailed Plan - Workstream 4: *Procurement*

Vision

A reduction in unwarranted variation in the cost of procuring goods and services across the NEL healthcare provider Trusts and to work collaboratively to capitalise on the savings opportunities available through procurement at scale.

SRO:

Matthew Hopkins, Chief Executive, Barking Havering and Redbridge University Hospitals

Delivery lead:

Ralph Coulbeck, Director of Strategy, Barts Health NHS Trust / Simon Milligan Director of Capital, Costing and Development, Barts Health NHS Trust

Case for change

Our plans for collaborative procurement in NEL are to ensure stronger negotiation with suppliers, rationalisation of catalogues and sharing of best-practice and data. Our provider landscape suggests our collective buying power may be less than other footprints, however we will realise some opportunities in the next 12-24 months as individual Trust contracts come up for renewal and can be moved to a NEL wide contract. In other areas, moving towards alignment will require longer phasing as existing long term contracts are either exited or extended to realise full system-wide benefits. The NHSI national procurement strategy is to move to a single price nationally for med / surg consumables and to redirect purchasing of high cost pass through items via NHS England procurement. We will ensure alignment to this strategy, however this may reduce the scope for negotiating local pricing for our STP footprint.

Objectives

- To develop a flexible and scalable shared service model that improves productivity and value at an STP level.
- To reduce unwarranted variation in the cost of procuring goods and services across the NEL healthcare provider Trusts.
- To capitalise on the savings opportunities available from procuring goods and services at scale for NEL

Initiatives		Enablers	Benefits and Metrics	Deliverables
1	Shared resource across NEL (excluding agency and bank)	Stakeholder engagement: to develop viable options	Reduction in procurement back office costs	<ul style="list-style-type: none"> Options appraisal for a shared resource across NEL
2	Consolidation of soft facilities management contracts across NEL providers	Stakeholder engagement: to develop specification and negotiate single contract	Reduction in cost of soft facilities management across NEL	<ul style="list-style-type: none"> Shared soft facilities management (where market testing indicates significant savings potential)
3	Rationalisation and standardisation of catalogues, and purchasing for all medical & surgical categories including consumables	Clinical engagement: to agree core products NHSI supply chain: aligning to national buying price where agreed	Increased buying power NEL on key medical and surgical categories	<ul style="list-style-type: none"> Shortlist of priority areas for rationalisation and standardisation NEL wide procurement of key medical and surgical categories
4	Procuring transport services as a system e.g. patient transport and home deliveries	Stakeholder engagement: to develop specification and negotiate single contract	Reduction in cost of transport services	<ul style="list-style-type: none"> Shared contract on patient transport and home delivery (where market testing indicates significant savings potential)
5	Shared Workplan System i.e. software system to enable shared planning of contracts across NEL.	Stakeholder engagement: to procure shared software	Reduced transactional back office costs through data sharing	<ul style="list-style-type: none"> Shared workplan system
6	Temporary labour requirements, supplychain, community services (wheelchair services).	Workforce: to provide right skill mix; Engagement: to agree specifications and best prices	Reduced bank and agency costs Increased buying power	<ul style="list-style-type: none"> Review of further savings and productivity opportunities through procuring services at scale, sharing temporary staff



Detailed Plan - Workstream 5: *IT (back office)*

Vision
To work together to reduce the cost of providing IM&T services across the NEL health system and to ensure a high quality of IM&T services across our organisations.

SRO:	<i>Matthew Hopkins, Chief Executive, Barking Havering and Redbridge University Hospitals</i>
Delivery lead:	<i>Luke Readman, Chief Information Officer (WELC CCGs)</i>

Case for change

The current use of IM&T resources across NEL may not be as effective as it might be, particularly when solutions are applied at scale across more than one organisation and across sectors. Opportunities for collaboration have been identified across both commissioner and provider organisations. These include standardising processes, procuring services at scale and beginning to evaluate potential future operating model options. NEL STP are baseline.

Objectives

- To realise the financial benefits of delivering services at scale where there is opportunity for this;
- To ensure continued strategic alignment across NEL at STP level in relation to ICT and clinical informatics and ensure that the local digital roadmaps properly reflects the available opportunities;
- To develop a flexible and scalable shared service model that improves productivity and value at an STP level;
- To continue to deliver a high quality IM&T function which supports excellent clinical outcomes and patient experience.

Initiatives	Enablers	Benefits and Metrics	Deliverables
1 Benchmark current IT service provision across NEL to identify lowest cost service model consistent with quality, flexibility and scalability requirements	Stakeholder engagement: to complete London benchmarking exercise	Increased efficiency / reduced cost of IT (back office) service provision across NEL where a shared service model is identified as delivering productivity for NEL	<ul style="list-style-type: none"> • Benchmarking of NEL IM&T services identifying lowest cost service model
2 Develop options for moving to a single NEL wide telecoms provider	Procurement: to review current contracts and develop NEL specification	Realisation of financial savings from procuring and delivering services at scale	<ul style="list-style-type: none"> • Detailed options appraisal of where financial benefits of delivering services at scale can be realised across NEL.
3 Develop options for shared data centre provision including a shared rental model for servicing hardware and devices	Procurement: to review current contracts and develop NEL specification	Realisation of financial savings from procuring and delivering services at scale	<ul style="list-style-type: none"> • Detailed options appraisal of where financial benefits of delivering services at scale can be realised across NEL.
4 Explore the opportunities to re-align our business intelligence services based on the emerging Accountable Care System model	Contracting / Commissioning: to agree NEL approach to business intelligence based on ACS vanguard	Business intelligence services to support new models of care	<ul style="list-style-type: none"> • Modelling of future business intelligence service based on emerging ACS model
5 Explore opportunities for procuring services at scale e.g. legacy medical records storage, management print services, patient letter services	Procurement: to review current contracts	Realisation of financial savings from procuring and delivering services at scale	<ul style="list-style-type: none"> • Detailed options appraisal of where financial benefits of delivering services at scale can be realised across NEL.



2016-2017

2017-2018

2018-2019

2019-2020

2020-2021

1. Bank & agency and back office (HR)

1.1 NEL rate card for bank & agency

Complete business case, procure subject matter expertise to develop initiatives

1.2 Shared policies & e-rostering

Collate baseline info of current rates

Develop options for a single NEL rates card

Agreement with NEL providers and align with London agency framework

Roll out of NEL rates card

1.3 Baselining and modelling workforce functions

Collate baseline information of current policies and e-rostering approach

Develop shared approach and options for synchronised e-rostering

Agree approach with NEL providers

Roll out of shared policies and synchronised e-rostering

1.4 Establishing agreed approach to shared services

Collate baseline data

London workforce modelling

2. Back office (Finance)

2.1 Common financial platform

Develop options and agree preferred option

Develop implementation plan

Phased delivery

2.2 Sharing scarce specialist resources

Develop detailed options for shared platform

Agree approach with NEL providers

Roll out of agreed shared platform where significant savings potential have been identified

2.3 Standardised dashboards

Collate baseline info of current service models

Develop options for sharing specialist resources

Develop implementation plan

2.4 Collaborative planning tool

Agree approach with NEL providers

Roll out of agreed service model

3. Pathology

3.1 Options development for collaboration / consolidation

Collate baseline and best practice info

Develop spec and business case

Procure tool for NEL

Roll out planning tool

3.2 Review test ordering processes

Review of individual Trust plans
Complete baseline assessment & review of case studies/best practice

Identify potential options for consolidation

Evaluation options for consolidation

Communicate and implement options for consolidation

Revised service models

3.3 Review contracts

Further analysis and agreement of NEL benchmark

Service change to move to benchmark (inc. training and development)

Revised test ordering processes

TBC

3.4 Review outsourced contracts

Further analysis and mapping of contract end dates

Renegotiation of contracts (phased)

Revised contracts

TBC

3.5 Review capacity and demand

Further analysis and mapping of sendaways

Local 'specialised' service development

Revised contracts to address sendaways (where economical)

TBC

3.6 Joint posts and on-call arrangements

Further analysis and mapping of capacity and demand

Demand and capacity modelling

Revised contracts

TBC

Further review of workforce pressures & arrangements

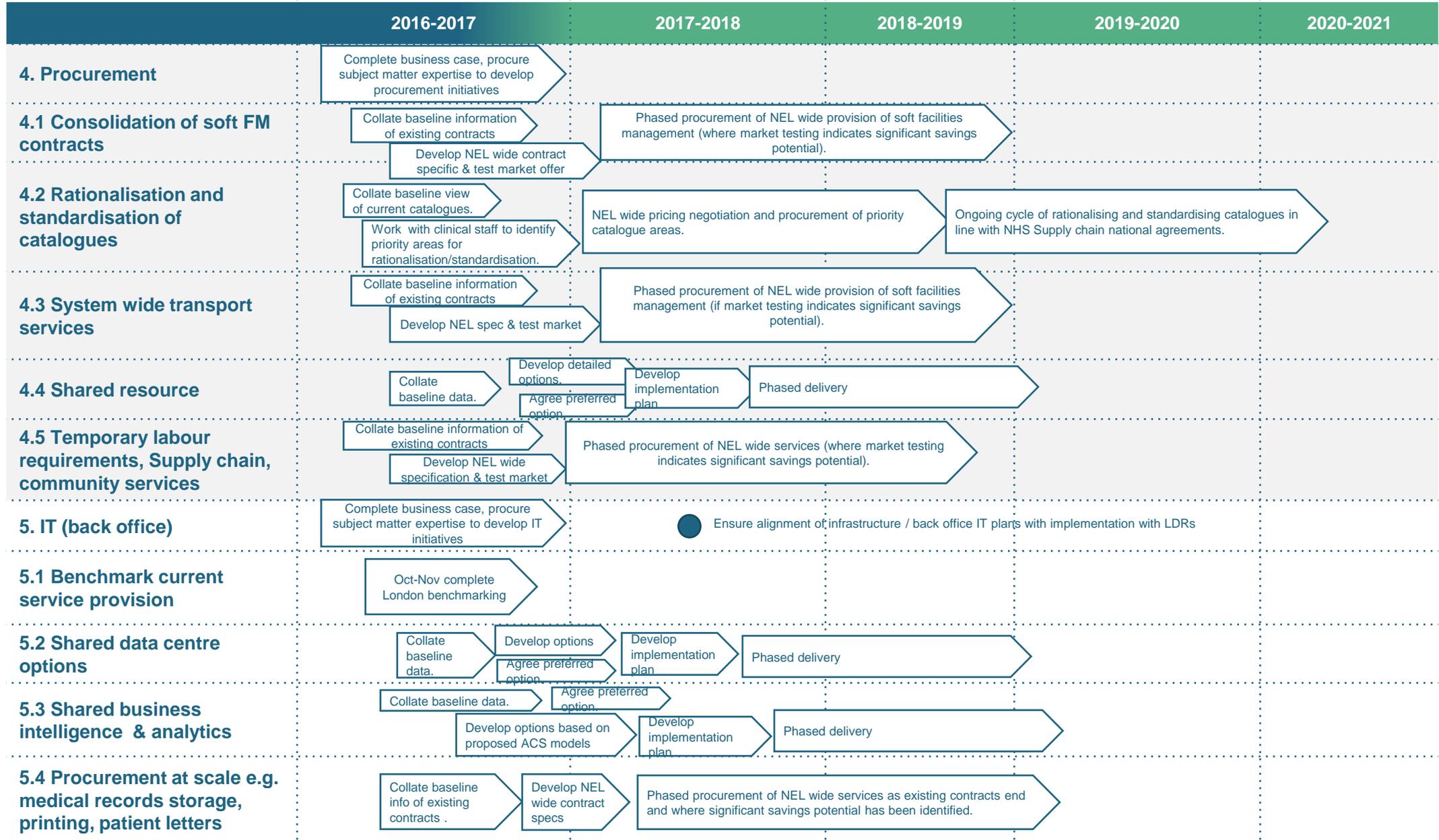
Workforce modelling

Revised workforce and oncall arrangements

Draft policy in development



Route Map (2 of 2)





Expected Benefits & Metrics

Note: Integrated outcomes and measures will be established in line with NHS E national metrics and current best practice guidance

This section provides a high level summary of the metrics that are being developed against the initiatives outlined within the productivity delivery plans.

Benefit description (Health & wellbeing, care & quality or financial)	Measurement (metric)	Current performance	Target performance	Target date (default 2020)	Linked workstreams
Reduced cost of back office functions across NEL	% cost reduction against agreed baseline	£113m on central procurement, finance, HR & IT back office functions	Potential savings opportunities identified as up to c.£10.7m	2020	HR (back office), Finance (back office), Procurement (back office) and IT (back office)
Bank & agency and back office (HR): Reduced cost of bank & agency staff	% cost reduction against agreed baseline	Currently £196m on agencies	Potential savings opportunities identified as c.£8.6m)	2020	Bank & Agency productivity
Pathology: Design and delivery of appropriate and best practice services across the network and within each individual Trust	To be developed in line with national benchmarking			2020	Pathology productivity
Procurement: Reduced cost of consumables through standardisation (including product and service specification across NEL) and reduced costs from procuring goods and services at scale across NEL e.g. patient transport	% cost reduction against agreed baseline	Baseline cost to be agreed	Potential savings opportunities identified as c.£7.6m	TBC	Procurement productivity



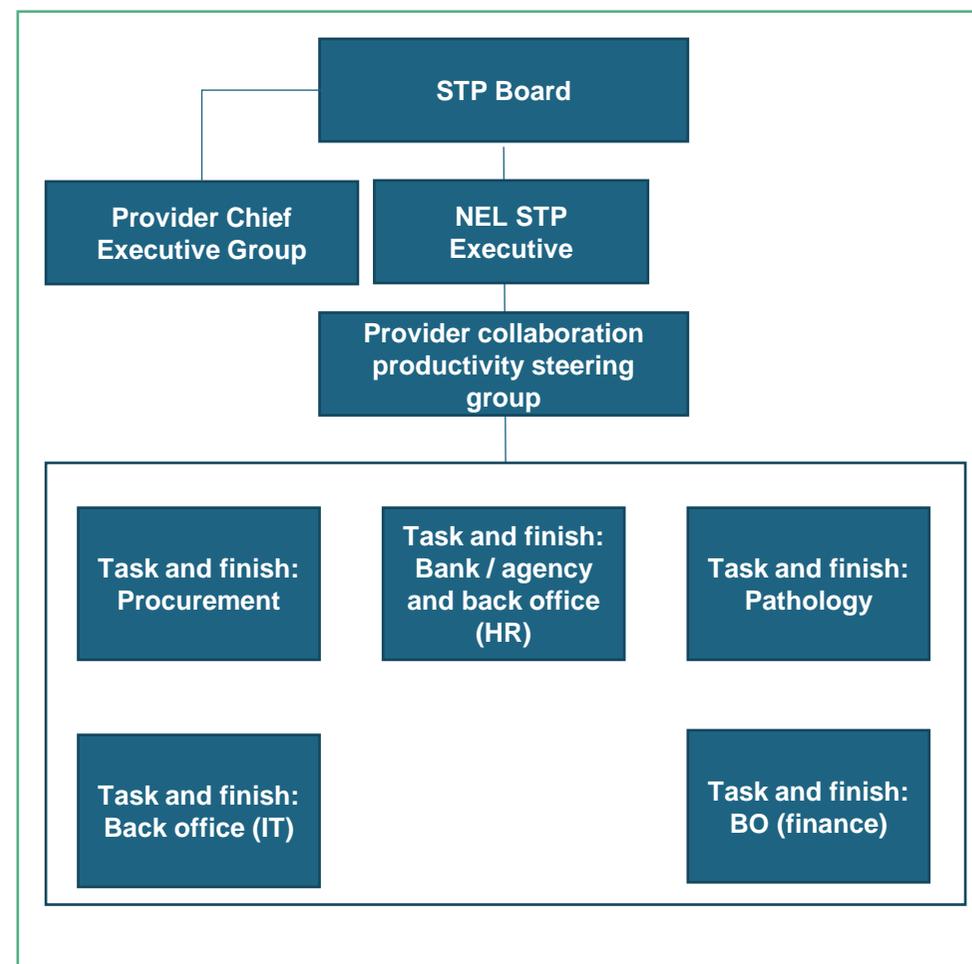
Resources & Delivery Structure

A governance structure has been established to oversee the productivity workstreams for NEL STP. This is structured of 5 task and finish groups are made up of operational leads from each of the provider Trusts. The IT task and finish group also contains representatives from NEL’s CCGs and from NEL CSU. The task and finish groups report into the productivity steering group which in turn reports into the provider Chief Executive Board. There is a single SRO for this work whilst the delivery leads have been allocated across all of the provider Trusts and, in the case of the IT workstream, through the WELC CCGs.

6.1 Resources

Delivery Plan	SRO	Delivery Lead
Workstream 1: Bank & agency and back office (HR)	Matthew Hopkins, Chief Executive, Barking Havering and Redbridge University Hospitals	Daniel Waldron, Director of Organisation Transformation, Homerton University Foundation Trust
Workstream 2: Back office (Finance)	Matthew Hopkins, Chief Executive, Barking Havering and Redbridge University Hospitals	Jonathan Wilson, Director of Finance, Homerton University Hospital NHS Foundation Trust
Workstream 3: Pathology	Matthew Hopkins, Chief Executive, Barking Havering and Redbridge University Hospitals	Jason Seez, Director of Planning and Governance, Barking, Havering and Redbridge University Hospitals Trust & Simon Milligan, Director of Capital, Costing and Development, Barts Health
Workstream 4: Procurement	Matthew Hopkins, Chief Executive, Barking Havering and Redbridge University Hospitals	Ralph Coulbeck, Director of Strategy, Barts Health NHS Trust / Simon Milligan Director of Capital, Costing and Development, Barts Health NHS Trust
Workstream 5: IT (back office)	Matthew Hopkins, Chief Executive, Barking Havering and Redbridge University Hospitals	Luke Readman, Chief Information Officer (WELC CCGs)

6.2 Delivery structure





Risks

Risks			
Workstream	Description: impact	Mitigating action	RAG
Back office (Finance)	Existing long-term contracts some of which relate to already outsourced back office functions to SBS, Serco etc. may impact the net savings through collaboration in some areas.	Include cost of exit fees or phased approach to consolidation when developing options for moving to a shared platform / shared business service.	R
Pathology	Existing contracts may be difficult to terminate or renegotiate and different end times may impact the net savings through collaboration in some areas e.g. equipment.	Work with procurement workstream to carry out a baseline assessment of contracts	R
Procurement	Long-term contracts in place with costly exit fees may impact the net savings through collaboration in some areas	3-5 year shared workplan where contracts are amalgamated as they expire	R
IT (back office)	Long-term contracts in place including PFIs with costly exit fees may impact the net savings through collaboration in some areas.	Include cost of exit fees or phased approach to consolidation when developing options for moving to shared contracts / shared services.	R
Bank & agency and back office (HR)	Existing contracts and agreements relating to temp staffing and shared services could limit options for shared working and collaboration.	Options development to include review of contracts and consider whether a phased approach can be utilised as contracts expire.	A
Back office (Finance)	Any change from status quo is likely to be resisted by staff groups especially if further outsourcing is needed.	Establish a programme of education and development to support the workforce to move from implementing transactional activities to supporting forward facing forecasting.	A
Back office (Finance)	High levels of vacancies and high proportion of agency interims.	Redesign roles to redistribute lower level work to and admin support workforce where local recruitment would be possible. Use work from Future Finance and Finance Skills Development to implement training programmes and communication, establish STP trainee and apprenticeship schemes and make contact with local schools and colleges and universities to recruit.	A
Pathology	Consolidation of IT contracts may be hindered by information governance and patient confidentiality requirements.	Work with IT and IG to understand confidentiality requirements.	A
Pathology	All trusts have existing plans and there is a risk that these may be ignored or may be developed in isolation to STP plans.	Baseline assessment to document and build on existing plans.	A
Pathology	Service disruption/destabilisation from changes to services e.g. staff changes and changes to IT systems	Services need to continue to run optimally to support Trust infrastructure through development of clear implementation plans.	A
Procurement	Risk of non-compliance to legislation if we rush procurements	Robust workplan that has been scrutinised and approved by Procurement Heads and external legal advice where appropriate.	A
IT (back office)	Infrastructure informatics may already be under-resourced.	Use benchmarking and data collation to identify lowest cost service model consistent with quality, flexibility and scalability requirements.	A
IT (back office)	The cost of proposed changes may be greater than savings opportunities	Maximise available national and regional funding sources.	A

Note: This is a list of the highest-rated risks. Additional risks identified at a lower mitigated risk rating



Dependencies, Constraints and Assumptions

Dependencies, constraints & assumptions (in order of impact)

Workstream	Type:	Description	Actions / next steps
Bank & agency and back office (HR)	Constraints / Dependencies	<ul style="list-style-type: none"> On-going recruitment and retention challenges continuing to drive demand for temp staffing Format and completeness of data across organisations to be able to carry out required benchmarking, modelling and analysis 	<ul style="list-style-type: none"> Align with workforce plans for meeting recruitment and retention challenges; Standard template and approach has been developed and work being coordinated by London HR transformation programme
Bank & agency and back office (HR)	Assumptions	<ul style="list-style-type: none"> LLP re-procurement of agency framework will support compliance with NHSI cap and data sharing on agency shifts worked by substantive staff Benchmarking, modelling and analysis phase will be supported by the London HR Transformation programme 	<ul style="list-style-type: none"> Await further guidance on LLP re-procurement of agency framework; Continue to liaise with London HR Transformation programme;
Back office (Finance)	Assumption	<ul style="list-style-type: none"> Any agreement to move all financial services to Barts SSC or to establish an NEL shared service centre will need investment to set up, recruit and train staff. That there will be clear agreement in place regarding how implementation costs and any subsequent savings are shared across the providers. 	<ul style="list-style-type: none"> Strategic outline case will need to identify spend to save opportunities for preferred option to be viable; Early agreement across NEL on how costs and savings are distributed.
Back office (Finance)	Constraints / Dependencies	<ul style="list-style-type: none"> Procurement back office collaboration has implications for P2P operating model. IT strategy needs finalising across NEL, through the harmonisation of three Local Digital Roadmaps. Review of transactional HR including payroll provision sits with the HR back office workstream; There are existing CIP plans in providers for finance back office functions. 	<ul style="list-style-type: none"> Discussions with these workstreams will need to be undertaken to identify synergies and avoid duplication.
Pathology	Constraints / Dependencies	<ul style="list-style-type: none"> It may be difficult to retain staff if service changes are unpalatable – particularly for difficult to recruit areas. 	<ul style="list-style-type: none"> Work with workforce workstream, ensure clear communications and engagement plans and processes and clear implementation plans
Procurement	Constraints / Dependencies	<ul style="list-style-type: none"> All aspects of the provider landscape needs to be engaged to realise savings in their area of work (for example in relation to IT contracts, pathology, medical consumables etc.) Ongoing work at a national level on procurement have will have an impact on what the overall procurement landscape looks like i.e. NHS supply chain pricing negotiations 	<ul style="list-style-type: none"> Ensure early engagement with key workstreams e.g. IT; Utilise national best price lists where available;



Dependency map

This dependency map highlights where this delivery plan is linked to another delivery plan within our STP.

	Prevention	Access to care close to Home	Accessible quality acute services	Infrastructure	Productivity	Specialised Services	Workforce	Digital
Bank & agency and back office (HR)							Recruitment & Retention	
Back office (Finance)					Procurement of finance systems		Payroll function sits within workforce Recruitment & Retention and training & development of of finance staff	IT Strategy to align finance systems
Pathology				Location of services			Recruitment & Retention	Aligning pathology IT systems / data sharing
Procurement		Patient transport & home delivery			Consolidation of key IT, Pathology & Finance goods / service contracts	Standardisation of consumables		Shared planning systems / data sharing
IT (back office)				Location of servers, helpdesks, shared services			Recruitment & Retention, skill mix and training & development of IT staff	IT infrastructure needed to enable digital road maps



Summary of Financial Analysis

The basis for the financial modelling has been the five year Operating Plans prepared by individual NEL commissioners and providers, all of whom followed an agreed set of key assumptions on inflation, growth and efficiencies. The individual plans have then been fed into an integrated health economy model in order to identify potential inconsistencies and to triangulate individual plans with each other. In the June submission the starting point for this modelling was the 16/17 operating plans. This has since been refreshed to be the month 6 forecast outturn.

The NEL STP financial template summarises the:

- Latest financial gap projection
- The anticipated financial impact of the workstreams on closing the gap
- The BAU effect on closing the gap
- The capital requirements for the STP
- The investment requirements including 5 year forward view investments

While substantial progress has been made on the financial and activity modelling for the NEL STP, the finance and activity plan for the October 21st submission should not be regarded as the final position. Further detailed worked-up analysis will follow over the coming months.

Work done since 30th June

- Expanded the Transforming Services Together capacity and activity model across the whole NEL STP footprint
- Updated the new capacity and activity model to include the BHR ACO schemes
- Refined the capital investment requirements
- Incorporated the estimated costs for the delivery of the 5 Year Forward View requirements
- Refreshed the underlying financial calculations to be based on month 6 forecast outturn
- Agreed the STP resourcing requirements
- Commenced detailed analysis of the financial and activity impact of the workstream initiatives
- Applied the capacity and activity model to calculate the capacity requirements for the Whipps Cross capital business case

Planned future work

- Update the new capacity and activity model to include Hackney Devolution pilot
- Identify opportunities to obtain additional funding from national investment funding sources (e.g. the Mental Health 5 Year Forward View)
- Undertake more detailed modelling of the financial and activity implications of workstream initiatives
- Reach agreement on the STP wide system control total (taking into account organisational control totals).
- Agree the implementation of the system control total, including handling of key dependencies (e.g. the NHS E specialised commissioning)



Contribution to our Framework for Better Care and Wellbeing

This delivery plan sets out how it will deliver improvements against the core areas of prevention, out-of-hospital care and in-hospital care

Promote prevention, and personal and psychological wellbeing in everything we do

Our plans for improving our productivity will have an impact on how we serve our communities. For example, by delivering a high quality, financially sustainable and cost effective pathology service, we will be enabling our local clinicians and our patients to have timely results to support early intervention and care.



Improving the productivity of our back office and support services will continue to enable and support the provision of care close to home for patients. For example, we will maximise any opportunity there is for procuring patient transport services at scale across NEL. This would include a shared service desk which would support the smooth running of this key service.



Promote independence and enable access to care close to home

Driving forward the delivery of efficient and high quality back office provider services will help to ensure that our acute services are of a high quality and accessible to those who need it. For example, by improving how we manage our bank and agency staff through initiatives such as shared e-rostering and developing a NEL wide bank service, we will be ensuring that our acute services are sustainable and that they are run by staff who know our systems and processes.



Ensure accessible quality acute services for those who need it



Addressing the 10 Big Questions

Q1. Prevent ill health and moderate demand for healthcare

- Supporting other delivery plans to implement change

Q2. Engage with patients, communities & NHS staff

- Supporting other delivery plans to implement change

Q3. Support, invest in and improve general practice

- Supporting other delivery plans to implement change

Q4. Implement new care models that address local challenges

- Exploring the opportunities to re-align our business intelligence services based on the emerging ACS model

Q5. Achieve & maintain performance against core standards

- Supporting other delivery plans to implement change

Q6. Achieve our 2020 ambitions on key clinical priorities

- Supporting other delivery plans to implement change

Q7. Improve quality and safety

- Design and delivery of clinically efficient and quality pathology services which meet the needs of patients and commissioners

Q8. Deploy technology to accelerate change

- Utilising shared planning software to synchronise procurement cycles;
- Supporting collaboration and consolidation of pathology services through use of shared IT systems;
- Maximising opportunities for providing IT services at scale e.g. through a shared telecoms provider, and shared networks

Q9. Develop the workforce you need to deliver

- Reducing the demand for temporary staff through collaboration;
- Reducing temporary staff costs through establishing a common approach managing staff banks;
- Reducing temporary staff costs through establishing a common approach to agency management

Q10. Achieve & maintain financial balance

- Capitalising on the savings opportunities available through procuring and operating goods and services at scale;
- Developing a flexible and scalable shared services model for our back office functions that improves productivity and value for NEL



Addressing the 9 Must Dos

<p>1. STPs</p> <ul style="list-style-type: none"> • This delivery plan outlines our agreed STP initiatives and milestones and the timeline for delivering them. We have also begun to map out the metrics against which we will measure our progress. 	<p>2. Finance</p> <ul style="list-style-type: none"> • We are working collaboratively to develop a flexible / scalable back office service model where this will deliver value for NEL; • Initiatives are in place to develop a NEL bank & agency rates card, synchronised e-rostering and scoping options for a shared staff bank. 	<p>3. Primary Care</p> <ul style="list-style-type: none"> • Refer to the primary care delivery plan. 	<p>4. Urgent & Emergency Care</p> <ul style="list-style-type: none"> • Refer to the urgent and emergency care delivery plan 	<p>5. Referral to treatment times and elective care</p> <ul style="list-style-type: none"> • Refer to the planned care delivery plan
<p>6. Cancer</p> <ul style="list-style-type: none"> • Refer to the cancer delivery plan 	<p>7. Mental health</p> <ul style="list-style-type: none"> • Refer to the mental health delivery plan 	<p>8. People with learning disabilities</p> <ul style="list-style-type: none"> • Refer to the learning disabilities delivery plan 	<p>9. Improving quality in organisations</p> <ul style="list-style-type: none"> • We are working collaboratively to carry out benchmarking across all of our productivity workstreams and to use standardisation and sharing of best practice to improve quality (refer to individual workstream slides). 	