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Managing Key Programme Dependencies

Introduction

The purpose of this paper is to highlight two new key Programme Dependencies that have arisen and to propose how we manage them.

Background

At the last Programme Board it was agreed that:

- SaTH would take forward the work on developing the SOC and OBC for new acute hospital facilities. The Programme will no longer be resourcing or managing this work and the technical team have been stood down.
- The SROs would ask the Finance Directors to scope and define a whole system deficit reduction plan, starting with an assessment of the current underlying deficit position for the health economy.

It was decided that this work sits outside of the Future Fit Programme.

Issues

Before the Programme can set out a revised timeline, the scope, milestones and end point of these two pieces of work needs to be agreed.

It is also likely that the SOC cannot be completed without reference to the external context created by the deficit reduction plan.

Therefore, not only is the Programme dependent on these two pieces of work, but the SOC work is likely to be dependent on the outcome of the deficit reduction work. Some parallel running of these two pieces of work is inevitable, but presents a further risk.

The programme can develop a draft timeline but without a clear understanding of the scope and length of time needed for these two pieces of work, the Programme should not publicly commit to a timetable.

Conclusion

The following actions are proposed:

- The Programme Board establishes both pieces of work as key Progamme dependencies
- The next Programme Board receives a report at its next meeting setting out the scope, milestones and deadline for each of the above pieces of work to reach a conclusion.
- The Programme Board receives a formal update report for each piece of work at each of its meetings

In handing over the SOC development to SaTH, the Programme makes the following assumptions:

That further development of the current shortlisted options that prioritise the most urgent clinical workforce challengers including A&E and ITU and will allow for the physical creation of the key components of the Clinical Model on the SaTH sites, namely:

- A single Emergency Centre
- A single Diagnostic and treatment Centre
- An Urban Urgent Care centre on the RSH and PRH sites
- Local Planned Care on the RSH and PRH sites
- That the income envelope that is used for the SOC remains the Phase 2 modelling

No assumptions have so far been made about the scope and process for the deficit reduction work as this is an entirely new piece of work that has not been within the scope of the Programme.

Mike Sharon

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Report on Programme Interdependency

Acute Hospital Business Cases (Sustainable Services Programme)

What is the objective of the project?

- To develop a Strategic Outline Case (and subsequent Outline/Full Business Cases) that address the Trust's workforce challenges in the short to medium term; focussing on the immediate challenges of emergency/urgent care whilst also understanding the impact and opportunities for planned care.

What is the scope of the project – what is included, and what is excluded?

- Completion of all business case requirements (in line with national guidance) for workforce and facilities on the PRH and RSH sites (see Key Assumptions).
- This includes workforce and facilities options to deliver the whole of the Clinical model including one Emergency Department and associated Urgent Care Centre provision, one Critical Care Unit plus associated interdependent services and beds. A Diagnostic and Treatment Centre and Local Planned Care on both sites
- The Future Fit Programme will have responsibility for:
    - Overall Programme management
    - Rural Urgent Care offer
    - Community Fit Managed as a dependency and overseen by its own steering group)
    - Whole system workforce solutions
    - Production of Pre Consultation Business Case

What are the project deliverables and timescales?

- SOC – February 2016
- The OBC can be completed by Autumn 2016 and a Full Business Case by early 2017 but this is dependent on external approvals which is likely to extend the required by date for these deliverables.

Key assumptions that the project is making

- The deficit reduction plan is completed by the end of January 2016
- That a whole system IT solution is being developed through the health economy IT steering group
- The activity and income assumptions will not be materially different from the Phase 2 modelling outputs without agreement from commissioners, although these will be refreshed to reflect the current position against the 2018/19 trajectory
- Introduction of new information may result in the need for a reappraisal of the Future Fit options
- The SOC and subsequent business cases will be developed in line with TDA guidance
- Patient and public engagement and involvement in relation to the Sustainable Services Programme

Key risks to the project.

- The wider health economy deficit reduction plan materially affects the activity and capacity assumptions within business cases
- Clarity of responsibilities and work plans for Future Fit and the identification of interdependencies

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Report on Programme Interdependency

Deficit Reduction Plan

What is the objective of the project?

To develop a plan which will return the local NHS health economy to a sustainable financial position.

What is the scope of the project – what is included, and what is excluded?

1. All NHS organisations within Shropshire.
2. Specialised services which are currently commissioned by NHS England.
3. Organisational five year financial plans commencing 1st April 2016.

What are the project deliverables and timescales?

1. The size and composition of the current financial deficit, broken down by organisation and recurrent and non-recurrent.
2. To establish the phased, five year extrapolated position based on organisational financial strategies and previous submissions to the Future Fit Finance Workstream.
3. To extrapolate forward, on a phased five year basis, the impact of historic commissioner QIPP (Quality, Innovation, Productivity and Prevention) performance on health system stakeholder organisations and to compare the analysis to current plans.
4. To extrapolate forward, on a phased five year basis, the impact of historic provider CIP (Cost Improvement Programme) performance on health system stakeholder organisations and to compare the analysis to current plans.
5. To review the analysis of the cost base of health system organisations in deficit. The analysis will be split in to fixed, semi fixed, standard variable and premium variable.
6. Based on the cost analysis, derive the level of activity that requires "deflection" or to be "lost" to address the deficit. The activity reduction will also need to offset the cost additional investments to fund the "deflected activity".

Main project milestones for delivery with dates.

1. Chief Executives and Finance Directors to meet to ratify the scope of the programme and discuss options and opportunities on 7th December 2015.
2. Organisational revised financial plans to be submitted by 11th December 2015.
3. Final report produced by the end of January.

Key assumptions within the project.

1. Future Fit Phase 2 activity projections will be used where applicable.
2. Organisational restructuring within the local NHS has not been considered.

Key risks to the project.

1. Outcome of the Comprehensive Spending Review (CSR).
2. Internal resource availability.
3. Deterioration of the financial position of the local health economy.