

Board of Directors Meeting in Public - Cover Sheet

Subject:	ME2 Pathology Network Strategic Outline Case		Date: 9 th June 2022	
Prepared By:	Elaine Torr DGM Networks and Collaboration,			
Approved By:	Dr David Selwyn, Executive Medical Director			
Presented By:	Elaine Torr			
Purpose				
To present the ME2 Pathology Network's Strategic Outline Case, (SOC) for approval.			Approval	X
			Assurance	
			Update	
			Consider	X
Strategic Objectives				
To provide outstanding care	To promote and support health and wellbeing	To maximise the potential of our workforce	To continuously learn and improve	To achieve better value
X	X	X		X
Overall Level of Assurance				
	Significant	Sufficient	Limited	None
		X		
Risks/Issues				
Financial	Investment required to support Pathology Network to achieve efficiency at scale.			
Patient Impact	Networks should deliver improved services to patients and reduce unwarranted variation.			
Staff Impact	Support to training and development of workforce			
Services	Supports sustainable services			
Reputational	The SOC will support the development of the Network to the maturity expected by NHSEI			
Committees/groups where this item has been presented before				
ME2 Implementation Board and the SFHT Executive Meeting 25 th May 2022				
Executive Summary				
<p>The purpose of this Strategic Outline Case (SOC) is to secure organisational Board support for the next steps in considering the optimisation of pathology services across the Midlands and East 2 (ME2) Pathology Network. It has been developed with the full support and input of the member organisations (and their stakeholders).</p> <p>Midlands and East 2 (ME2) pathology network partners have been working collaboratively under a Memorandum of Understanding since 2019.</p> <p>The approval of the SOC by member Trust Boards is seen as a key enabler to allow the Network to progress its maturity to the level required by NHSEI.</p> <p>Network discussions resulted in the generation of five options, it is now proposed that three of those options are taken forward for further development and appraisal culminating in the production of an Outline Business Case (OBC).</p>				

Those three options are;

- Joint Venture
- A Hosted Organisation
- Provider Collaborative

Tight timelines prescribed in the NHSEI Network Maturity Matrix mean the network leadership team seeks a level of delegated authority to develop the network on Trust member organisations behalf through their nominated representatives via the ME2 Executive Steering Group. In co-ordinating the programme of work, the network leadership team are conscious of striking a balance between updating member organisation boards and a level of devolved autonomy to allow the network to progress its implementation plan.

The network seeks support in allowing this level of autonomy. Examples of delegated authority in practice may include;

- Co-ordination of network level Cost Improvement Programmes (e.g. Procurement)
- Optimisation of referred test work stream

The detailed proposal for network delegated authority will be provided as part of the Outline Business Case (OBC) when the Target Operating Model (TOM) and final preferred network development option will be provided.

A £1,000,000 investment in the Midlands and East 2 Pathology Network represents a 0.5% cost improvement target for the network in order for partner organisations to realise a return on their investment.

The financial request to support substantive recruitment to Network posts for SFHT, as a 7% split of costs is:

Year 1 £42, 910	Total cost of £7636k
On-going £114,100	Total cost £1.853million

Decisions Required

The Executive and Board are asked to consider the Strategic Outline Case, and approve the recommendations to;

- Produce a detailed Outline Business Case (OBC) developing the three shortlisted options of; Joint Venture, Hosted Organisation and Provider Collaborative that will be completed in time for consideration at Trust Board meetings in Q3 2022.
- Begin the process of recruiting ME2 leadership and Clinical roles that will drive this work forward.
- Commit to enabling expenditure for next period of activity as defined in the paper.