

**Board of Directors - Cover Sheet**

<b>Subject:</b>	NHS England Investigation & Intervention Process		<b>Date:</b>	5 <sup>th</sup> September 2024	
<b>Prepared By:</b>	Richard Mills, Chief Financial Officer				
<b>Approved By:</b>	Dave Selwyn, Acting Chief Executive				
<b>Presented By:</b>	Richard Mills, Chief Financial Officer				
<b>Purpose</b>					
To update the Board of Directors on the NHS England initiated Investigation and Intervention (I&I) process.				<b>Approval</b>	
				<b>Assurance</b>	
				<b>Update</b>	X
				<b>Consider</b>	
<b>Strategic Objectives</b>					
Provide outstanding care in the best place at the right time	Empower and support our people to be the best they can be	Improve health and wellbeing within our communities	Continuously learn and improve	Sustainable use of resources and estates	Work collaboratively with partners in the community
			X	X	X
<b>Principal Risk</b>					
<b>PR1</b>	Significant deterioration in standards of safety and care				
<b>PR2</b>	Demand that overwhelms capacity				
<b>PR3</b>	Critical shortage of workforce capacity and capability				
<b>PR4</b>	Failure to achieve the Trust's financial strategy				X
<b>PR5</b>	Inability to initiate and implement evidence-based Improvement and innovation				
<b>PR6</b>	Working more closely with local health and care partners does not fully deliver the required benefits				X
<b>PR7</b>	Major disruptive incident				
<b>PR8</b>	Failure to deliver sustainable reductions in the Trust's impact on climate change				
<b>Committees/groups where this item has been presented before</b>					
Executive Team Finance Committee					
<b>Acronyms</b>					
<ul style="list-style-type: none"> <li>NHSE – NHS England</li> <li>I&amp;I – Investigation &amp; Intervention</li> <li>ICB – Integrated Care Board</li> <li>ICS – Integrated Care System</li> <li>SFH – Sherwood Forest Hospitals NHSFT</li> </ul>			<ul style="list-style-type: none"> <li>FY24/25 – Financial Year 2024/25</li> <li>KPIs – Key Performance Indicators</li> <li>EQIA – Equality &amp; Quality Impact Assessment</li> <li>CIP – Cost Improvement Programme</li> <li>RAG – Red/Amber/Green (Risk Ratings)</li> </ul>		
<b>Executive Summary</b>					
<p>In July 2024 NHS England introduced the Investigation and Intervention (I&amp;I) process, with the intent to undertake rapid reviews for those systems where there are concerns regarding the delivery of financial plans. The Nottingham &amp; Nottinghamshire ICS was identified as one of nine systems that were selected for the first wave of this process.</p> <p>The process is made up of two stages, described below.</p> <p><b>Phase 1 – Investigation:</b></p> <ul style="list-style-type: none"> <li>A four-week rapid assessment of key areas of opportunity to rapidly improve the in-year (FY24/25) run rate of the system, undertaken by a chosen supplier.</li> </ul>					

- Includes an assessment of governance frameworks that sit across cost improvement and efficiency programmes as well as grip & control processes.
- Builds upon existing reviews or diagnostic intelligence (available to the trusts or ICB, or to NHSE), placing reliance on existing/previous work where this is time relevant and credible.
- The Supplier will be report to an NHSE nominated leader who will oversee and challenge both the work delivered, and the system itself in the delivery of their financial plan.
- The outcome is expected to be a short report containing 4-6 key interventions to be implemented across the system, and a proposed resource profile to design, develop and implement the interventions.

## **Phase 2 – Intervention:**

- A twelve-week process to support the system in designing, developing and implementing the interventions identified in Phase 1, following agreement with the ICB.
- The interventions from Phase 1 will be focused on the areas specific to the system and will be designed and developed in a consistent manner that will include KPIs, EQIAs and a handover plan.
- The supplier will support the system to implement each of the interventions, and support handover so that upon departure of the supplier after 12 weeks of intervention support, each intervention will continue to deliver the benefits required.

The Investigation phase has now been completed, with a Phase 1 report shared with the ICS and NHS England. The findings of this report have been discussed at the Trust's Finance Committee, and those most relevant to SFH are briefly summarised below. At the time of writing the approach to the Intervention phase is being finalised and is due to be presented to Chief Executives of ICS partners by 4<sup>th</sup> September 2024.

## **Phase 1 Findings (SFH):**

1. The adverse risk rating of the current plans is the key reason for the significant gap against the CIP target. Certain material schemes should be de-risked.
2. 28% of the Trust's planned CIP schemes are recurrent and 72% are non-recurrent, as such we are an outlier within our system.
3. It is recognised that under standard circumstances existing CIP resource would have been appropriate, however it is insufficient for a programme of £38.5m.
4. Based on the review of the CIP programme and supporting documentation, some key weaknesses have been identified:
  - In relation to the highest-value schemes, it is recommended that we produce bottom-up plans for high-value, cross-cutting schemes.
  - Whilst the Trust tracker does allow the tracing of cross-cutting schemes back to divisions, it is not always possible to directly track those savings by division back from the tracker to the constituent highlight report.
  - It is recommended that for cross-cutting schemes, reporting is developed to capture savings per division.

- The Trust's internal CIP tracker does not report consistently in terms of the target, unweighted plan, RAG adjusted view and forecast. It is recommended that the tracker be modified to demonstrate all four of these metrics.

5. There is limited bottom-up plan development and overreliance on non-recurrent schemes. In addition, there are proportionally very few transformational and service reconfiguration projects, as well as significant agency reduction schemes. Similar to other organisations within the ICS, there is insufficient cross-system working with regard to system-wide opportunities for benefits realisation, e.g. procurement, harmonisation of bank/agency, digital projects.

The Trust acknowledges the findings of the report and has enacted some immediate changes to address some of the weaknesses identified, particularly in relation to governance processes and supporting documentation.

***The Board of Directors are asked to note the update on the NHS England Investigation and Intervention process.***