

Sent via email:

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1 December 2016

Dear Gary

DERBYSHIRE STP FEEDBACK

Thank you for submitting your STP plan on 21 October 2016. The purpose of this letter is to provide you with written feedback following review.

The Review Process

NHS England led a coordinated Arm's Length Body (ALB) review of each STP footprint's STP submission. The process adopted was to undertake a review of each STP against a number of headline KLOES. We were specifically asked by the national team not to undertake a more formal assurance process.

In addition to the regional ALB review, we have been provided with both national finance and policy team comments which have been incorporated into the review.

ALB Feedback

1. Headline Feedback

- There is confidence that the STP provides a credible basis for operational planning although the speed at which changes in demand and associated bed reductions are assumed to be implemented creates nervousness.
- The STP evidences good progress since the June submission.
- Further work required on the assumption that STF funding will be allocated given that the system has been told you will not receive the monies unless STF targets are delivered. In addition the reliance on £86m transformational capital funding, of which only £12m can be funded internally through depreciation.
- There has been some engagement with specialised commissioning.

2. Leadership and Engagement

- Clear and detailed governance structure with a strong degree of commitment from all leaders.
- Clear accountability structure, including 'engine room' concept, with a planned re-alignment of CCG leadership and provider alliances subject to agreement with respective regulators.
- Clear offer to the public and strong engagement plan. Strong lay involvement and clinical engagement/leadership, integrated working with Health & Wellbeing Boards and involvement with Public Health England.

3. Local Infrastructure for Delivery

- STP starting position is relatively good with strong collaboration, a high degree of investment in delivery infrastructure, and a good track record of historical delivery.
- Transformational system management structure developed, with clear delivery plan for each key priority in terms of leadership, planning, OD, HR and change management.
- The STP outline business cases clearly identify the scope, case for change, current model, future model, workforce and system implications. Risks are also identified for the STP footprint.
- Further work needed regarding opportunities for workforce brief interventions with patients to advise on lifestyle services.

4. Financial Credibility

- The plan delivers a surplus of £3m by 2021 including STF funds of £138m over the next five years. This does not take account of any social service deficits.
- The plan does not reconcile to the notified CCG and Provider control totals. This is explained in the finance template as the expenditure relating to developments where national allocations will be available but not yet allocated to CCG. The difference is approximately £16m.
- There is an assumption that £20m PFI structural deficit for Derby Hospitals FT is funded. This will need to be clarified.
- The plan in 2020/21 includes £49m for STF, £20m less than the notified amount. This is included as income within the solutions.
- There is a credible mix of incremental and transformational savings, but further work is required to understand associated risk.
- Savings are reasonably profiled across the years.
- The STP forms a credible basis for operational planning.
- £74m capital requires external funding, this is a risk.
- The plan does form a sufficient basis for the 2017/18 quality plan.

5. Footprint Actions

In the next three months (some dates may have already passed but you were aware of them through other planning communications):

- Ensure programme momentum is not lost given management decisions currently being made at the non acute providers
- Define and implement revised two-year contracts monitored through the system-based architecture (STP system leaders) by December 2016.
- Clarity on delivery of control totals by STP Finance lead by November 2016.
- Communications and engagement plan clearly articulated (STP SRO) by November 2016.
- Prepare capital ask to enable national decision on allocation (STP Finance lead) by end of January 2017.
- Establish a system delivery team (STP SRO) by December 2016.
- To consider 'Plan B' with regards to capital (STP SRO) by December 2016.
- To evidence ownership of the prevention agenda across work-streams (STP work-stream leads) by January 2017.

In the next six months:

- Commence delivery of a number of high impact transformation schemes to support immediate sustainability (STP programme leads) by January 2017.
- Continue localised engagement programme, focussing on staff, stakeholders and the local population (STP work-stream leads) by February 2017.

(3)

- Articulate workforce planning and development to date to strengthen regulator confidence in deliverability (STP SRO) by March 2017.

You will be aware of the requirement if you have not already done so, to publish by Christmas. As previously confirmed, it is important that your STP plan or any decisions linked to the STP, do not reach the public domain until:

- a) The communications and engagement plan has been approved by David Woodthorpe, NHS England.
- b) NHS England national team has confirmed clearance for publication of the STP plan and any decisions linked to the STP.

I hope the above ALB reflections are helpful in supporting the next phase of Derbyshire STP's development and implementation.

Thank you for your continued support.

Yours sincerely



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