

Greater Manchester Joint Health Scrutiny Committee

Date: 15 October 2024
Subject: Sustainability Plan Update
Report of: Warren Heppolette, Chief Officer for Strategy & Innovation,
NHS Greater Manchester

Purpose of Report:

The Sustainability Plan shows how the GM System:

- Returns to financial balance through addressing the underlying deficit
- Secures a sustainable future through addressing future demand growth and implementing new models of care year on year

Successful delivery of the Sustainability Plan will facilitate achievement of the outcomes described in the ICP strategy:

- Everyone has a fair opportunity to live a good life
- Everyone has improved health and wellbeing
- Everyone experiences high quality care and support where and when they need it
- Health and care services are integrated and sustainable

Recommendation:

The Greater Manchester Joint Health Scrutiny Committee is requested to:

- Note the contents of the Sustainability Plan
- Support the implementation of the Sustainability Plan within localities

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Equalities Impact, Carbon and Sustainability Assessment:

Successful delivery of the GM Sustainability Plan will ensure our vision is achieved:

We want Greater Manchester to be a place where everyone can live a good life, growing up, getting on and growing old in a greener, fairer more prosperous city region

The plan provides the opportunity to improve health and address and reduce disparities in care related to access, experience and outcomes for the most disadvantaged communities which will improve the general health of the population.

Risk Management

We are in the process of developing a risk register as part of our implementation framework.

Legal Considerations

N/A

Financial Consequences – Revenue

Each year NHS GM receives growth funding as part of its national allocation from NHSE. Some of this is contractually allocated to various parts of the system, including providers. However, the remainder could be used (as is its intention) to fund growth in parts of the system determined by the strategy of NHS GM.

In 2024/5 the remainder was **~£61m**. This varies year on year depending on changes to national contractual arrangements.

To date NHS GM has not spent this funding on growth but has netted it off in their accounts against other costs – usually against convergence costs which are of a similar amount.

If the convergence costs can be covered by savings elsewhere in the system, this growth funding could be used for its original purpose. For the purposes of this analysis, we have assumed **£50m** a year might be available to fund growth (from year 2 – 2025/6).

This proposal requires consideration by the GM system.

Financial Consequences – Capital

Capital is an important enabler to the delivery of the Sustainability Plan .

The Capital Resource and Allocation Group has been tasked with developing a long-term plan for deployment of system capital. This work is focusing on:

- Clearly defining the parameters of what is meant by a sustainable capital plan.
- The investment strategy if we must live within current capital constraints.
- What the system could achieve if it had increases capital to deploy into several key areas (Estates, Digital, Equipment). Particularly linking this to known areas i.e. the £3.4bn of national capital to support productivity.

This work is ongoing and focused on three phases, including a Y1 plan for no increases in capital income, with options for Y2-5 being developed to support strategic requirements.

Number of attachments to the report: 1

Comments/recommendations from Overview & Scrutiny Committee

N/A

Background Papers

The Sustainability is a plan of plans that covers five key programmes of work (pillars):

- Cost Improvement
- System Productivity and Performance
- Reducing Prevalence
- Proactive Care
- Optimising Care

The Sustainability Plan, with other system plans is instrumental in delivering the overarching GM ICP Strategy:

The plans are connected and build on each other to ensure the delivery of the overarching 5-year strategy and national NHS objectives

ICP Strategy

Sets out how we will work together over a 5-year period to achieve a GM where

- Everyone has the opportunity to live a good life
- Everyone has improved health and wellbeing
- Everyone experiences high quality care where and when they need it
- Health and care services are integrated and sustainable

Joint Forward Plan

The 5-year plan to deliver the ICP strategy through our missions:

- Strengthen our communities
- Help people stay well and detect illness earlier
- Help people get into and stay in good work
- Recover core NHS and care services
- Support our workforce and our carers
- Achieve financial sustainability

Sustainability Plan

- A framework including:
- Priorities to achieve financial sustainability and effective use of resources across the GM NHS system, focusing on the next 3 years
 - Delivered through GM, provider, locality and programme delivery plans.

24/25 Operational Plan

- Actions to deliver the performance workforce and financial commitments in the GM planning response to NHSE
- Additional actions to improve population health through prevention and early intervention

NHS GM Single Improvement Plan

NHS GM response to the grounds for undertakings and improvement actions. The plan is focused on ensuring the ICB is structured and has the right approaches and governance in place to enable it to deliver on the agreed priorities of the above plans.

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No

GM Transport Committee

N/A

Overview and Scrutiny Committee

15th October 2024

1. Introduction

- 1.1. Greater Manchester (GM) Integrated Care System (ICS) provides healthcare for 3m people living in 10 places. As a system, GM has sought to improve population health through working with partners whilst at the same time improving the NHS financial position and health service performance.
- 1.2. This Sustainability Plan is based on the recognition that system sustainability rests on addressing the challenges we face across finance, performance and quality and population health - and the relationship between these.
- 1.3. The plans shows **both how** the system both returns to financial balance through addressing the underlying deficit **and** secures a sustainable future through addressing future demand growth and implementing new models of care year on year
- 1.4. In developing this plan, the financial and performance position of the 9 NHS providers has been considered, along with plans to transform and optimise care provision, in order to address the underlying financial deficit by the end of the 2026/7 financial year.
- 1.5. A population-based approach to developing this plan has set out the current and future pattern of demand and associated costs attributable to Non-Demographic Growth (NDG), quantified the opportunities to improve population health, and set out the immediate priorities to inform phasing and sequencing of these opportunities over time
- 1.6. The plan shows how the current deficit may be compounded by approximately £600m of additional demand but can be addressed over time through a combination of population health measures, system collaboration and provider efficiencies.

2. The Content of the Plan

2.1 This is a 'plan of plans' since it comprises plans from across the GM system, categorised under 5 'pillars' of sustainability:

- Cost Improvement
- System Productivity and Performance
- Reducing Prevalence
- Proactive Care
- Optimising Care

2.2 This plan shows that the projected remaining financial deficit could be eliminated over three years through:

- Consistent and complete implementation of existing Cost Improvement Plans (CIPs).
- Complete implementation of system wide plans already developed across GM along with assumptions about those not yet detailed.
- Assumptions on reconfiguration of parts of the system which have not yet been planned in detail.
- Assumptions on reducing the number and scope of procedures of limited clinical value (PLCV), although this is not yet detailed

2.3 The plan shows that with additional investment, the impact of Non-Demographic Growth (NDG) could be mitigated through:

- Assumptions about the impact of reducing prevalence and enabling proactive care on the health of the population

3. Implementing the Sustainability Plan in Localities

3.1 Clear responsibility to deliver against this plan must be allocated to organisations, locality boards and system groups. In the plan we described this as shown in the figure below:

Pillar	Governance and oversight through
Cost Improvement	Trust Boards, ICB Provider Oversight Meetings, ICB Board and Finance Committee
System Productivity and Performance	System Boards, TPC (currently under review)
Reducing Prevalence	Locality Boards, Population Health Committee
Proactive Care	Locality Boards, Population Health Committee
Optimising Care	Commissioning Oversight Group (COG), relevant System Boards, TPC (currently under review)

3.2 The Sustainability Plan is clear that the projected non-demographic growth in demand and costs can only be addressed through radical changes in both our care model and in tackling the social determinants of health. We will need to apply our place model with greater pace and scale and with more consistency. The focal point for delivery of this model will be our 10 localities. All partners in each locality, including GM-level functions, will need to create the right conditions for the Sustainability Plan to be delivered. The Locality Board (Place-Based Partnership Committee) is the focal point for this.

3.3 GM has integrated neighbourhood teams in place across all localities – with PCNs at the centre and as part of our Public Service reform agenda. These support the delivery of the ‘Reducing Prevalence’ and ‘Proactive Care’ pillars of the plan and will enable the theme from the Darzi Report: “Simplify and innovate care delivery for a neighbourhood NHS. The best way to work as a team is to work in a team: we need to embrace new multidisciplinary models of care that bring together primary, community and mental health services.”

3.4 Each locality will be asked to develop a place-based version of the Sustainability Plan by the end of December. This is to align with the Greater Manchester planning process for 2025-26. The local plan will need to be quantified and includes the contribution of trusts and other providers in each locality. This to be aligned to the five pillars in the Sustainability Plan and set out impact (including trajectories) against finance, performance, quality and population health.

- 3.5 Work has already begun on a prototype – being developed through the Four Localities Partnership. This will allow us to test the alignment between the place-based sustainability plan and the plans for the Northern Care Alliance across the four localities.
- 3.6 There are some important elements that need to be in place to support the locality versions of the plan:
- A breakdown of the commissioned spend for each place
 - A breakdown of activity for those resident in each place
 - The Non-Demographic Growth projections for each place covering the next five years
 - An open book approach to sharing the plans of all partners through the Locality Board
 - A plan that covers the whole local system – making sure that the primarily NHS analysis in the Sustainability Plan connects to the local authority position on adults and children's
 - The development of a broader set of locality metrics covering the locality role in addressing the social determinants of health - for example, on housing, school readiness, physical activity, community safety
 - A clear articulation of how the relationship between GM-wide programmes (for example, the Health and Care Service Review, Digital and Innovation programmes, the work of the System Groups) and place-based plans

4.0 Recommendations

- 4.1 The Greater Manchester Joint Health Scrutiny Committee is requested to:
- Note the contents of the Sustainability Plan
 - Support the implementation of the Sustainability Plan within localities