APPROVED – 20.05.21

Minutes of the Extraordinary LLR ICS NHS Board ("the Board")
Friday 30th April 2021
9.00-10.00 am
Via MS Teams

Present:

Mr David Sissling	Integrated Care System (ICS) Chair and Chair of the meeting
Mrs Cathy Ellis	Chair, Leicestershire Partnership Trust (LPT)
Dr Vivek Varakantam	Chair, East Leicestershire and Rutland CCG
Mr John McDonald	Chair, University Hospitals Leicester (UHL)
Mr Ben Holdaway	Director of Operations, East Midlands Ambulance Service (EMAS)
Mrs Pauline Tagg	Chair, EMAS
Mr Stephen Bateman	Chief Executive, Derbyshire Health United (DHU)
Mr David Whitney	Chair, DHU
Mr Andy Williams	Chief Executive, Leicester, Leicestershire and Rutland CCGs (LLR)
Ms Nicci Briggs	Executive Director, Finance, Contracting, Corporate Governance, LLR CCGs.
Professor Mayur Lakhani	Chair, West Leicestershire CCG
Ms Angela Hillery	Chief Executive, LPT
Sarah Prema	Executive Director of Strategy and Planning, LLR CCGs
Ket Chudasama	Deputy Director of Strategy and Planning, LLR CCGs
Ms Caroline Trevithick	Executive Director of Nursing, Quality and Performance, LLR CCGs
Ms Rachna Vyas	Executive Director of Integration and Transformation, LLR CCGs
Dr Anu Rao	West Leicestershire PCN / LMC representative
Dr Rajiv Wadhwa	Leicester City PCN Representative
Ms Rebecca Brown	Acting CEO, University Hospitals Leicester (UHL)

Apologies for Absence:

Ms Alice McGee	Executive Director of People and Innovation, LLR CCGs
Dr Hilary Fox	ELR Primary Care Network Representative
Professor Azhar Farooqi	Chair Leicester City CCG
Mr Richard Henderson	Chief Executive EMAS
Ms Caroline Trevithick	Executive Director of Nursing, Quality and Performance, LLR CCGs

In Attendance:

Ms Lynnette Farmer	Strategy & Planning Directorate Executive Assistant (Note taker)

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NHSB/21/35	**Welcome and Introductions** Mr Sissling welcomed members of the Leicester, Leicestershire and Rutland Integrated Care System NHS Board to the meeting, specifically Mr McDonald, Chair of University Hospitals of Leicester, who was attending his first meeting of the LLR ICS NHS Board. Mr Sissling explained that an Extraordinary Board meeting had been convened to enable the Board to consider and approve, if	

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	appropriate, the Leicester, Leicestershire and Rutland Integrated Care System H1 Operational and Financial Plan which requires submission to NHSEI on 6th May 2021. Mr Sissling set the context of the meeting which followed a successful system workshop on the purpose, principles, and priorities of the ICS the previous day. This meeting of the NHS ICS Board is focused on a different part of our partnership, on operational matters. The Board is being asked to review papers A and B1 and approve the finance and operational plan at a system level for 2021/22. The reason the papers were late being circulated was because the process that enabled the papers to be presented only concluded recently. Mr Sissling wanted to assure the Board that if Board members felt that the proposals are not sufficiently clear or required further consideration, they should not feel obliged to agree them today. It is important to appropriately challenge relevant aspects and make sure we are all satisfied with what is in front of us. The issues being considered are very significant and it is important to subject them to appropriate scrutiny. Mr Sissling confirmed that an additional meeting or process can be agreed by the Board today should members want more time to consider the papers or the Board identifies more work that needs to be done before formal approval can be given. Mr Sissling wants the Board to assure itself that we have the appropriate governance process in place when members are being asked to sign off proposals. As a Board we may want to have further discussions to ensure we have the right arrangements in place as there will be occasions in the future when we will have to provide assurance that we have given matters like this the right level of scrutiny **Action: Meeting to be arranged to discuss governance outside of the Board.**	
NHSB/21/36	**Apologies for absence** Apologise for absence were noted from: Ms Alice McGee — Executive Director of People and Innovation, LLR CCGs Dr Hilary Fox — East Leicestershire and Rutland Primary Care Network Representative Professor Azhar Farooqi — Chair, Leicester City CCG	

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	Mr Richard Henderson — Chief Executive, EMAS Ms Caroline Trevithick — Executive Director of Nursing, Quality and Performance, LLR CCGs	
NHSB/21/37	**Notifications of Any Other Business** There were no items of Any Other Business.	
NHSB/21/38	**Declarations of Interest on Agenda Items** No specific declarations were noted on agenda items.	
NHSB/21/42	**To APPROVE System Finance Plan (Paper A)** Ms Briggs presented Paper A and provided the following context: The guidance relating to the development of the system financial plan was released on 26th March 2021 with a deadline for submission of the plan by 6th May 2021. The period of development coincided with the year-end accounts and Easter. Ms Briggs had feedback the operational difficulties that this timeline had bought to all partner finance teams and she thanked all teams for their work to finalise the plan in such short timescales. The requirement is for the system to submit a plan rather than individual organisations. However each organisation has developed their own plan that has been through their individual organisation's approval process but these will not be formally submitted to NHSEI. It is only the System Plan that will be submitted to NHSEI. Ms Briggs confirmed that the plan has the full support of Chief Finance Officers (CFOs) of both the LLR Provider Trusts and the CCGs and the System Operational Group (SOG) which is a sub group of the LLR ICS NHS Board. Ms Briggs went on to highlighted the following areas within the plan: **Expectations**: ➢ The plan aligns to the most recent planning guidance for H1; which will cover the period 1 April 2021 to end of September 2021. ➢ The plan is based on organisations receiving financial envelopes based on 2020/21 Quarter 3 actuals. This was	

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	deemed realistic as there was a level of recovery activity delivered during this period and it included a range of COVID costs. ➢ Independent sector funding is based on 2019/20 levels. **Funding Envelopes**: ➢ Guidance required organisations to plan on the basis of what they could deliver in the funding provided. ➢ Within the plan the system has challenged itself to deliver the elective recovery fund – which we are planning to meet and the funding required to deliver this level of activity is assumed to come from the elective recovery fund programme. ➢ As a system we were allocated a similar level of funding to that allocated last year. ➢ Provider envelopes are based on 2020/21 Quarter 3 and 0.5% inflationary increase. ➢ There has been a national adjustment for CNST, but this allowance did not quite cover the actual costs. ➢ As a system we were given a system allocation and when the 2020/21 Quarter 3 organisation envelopes were added to the system allocation it resulted in a £42m headroom for H1. **Use of System Headroom**: ➢ All organisations have identified pressures that were not included in the 2020/21 Quarter 3 position. This totalled an £18.7m pressure across the system. ➢ The Chief Financial Officers across the system agreed that the H1 headroom would first be used to manage the £18.7m pressures identified. This approach was supported by the System Operational Group. Ms Briggs confirmed that these are non-recurrent costs and therefore would not put pressure onto future budgets. ➢ A 0.5% contingency, £5.9m, has also been set aside. ➢ The remaining headroom of £17m has provisionally been allocated to the following areas: a) £4m for UHL elective backlog. However it is expected that this will not be required as the cost of delivering this should come from the elective recovery fund (ERF). b) £3m has been allocated for additional independent sector activity to deliver more elective care particularly in specialities that have significant numbers of 52 week waits. c) £5.8m has been set aside to deal with backlogs in other service area such as primary care, community and mental health. d) £0.9m has been allocated to Continuing Health Care growth to recognise the cost pressures in this sector. e) £3.3m has been set aside for clinical issues that are	

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	being considered by the LLR Clinical Executive. Ms Briggs confirmed that the £17m will be held centrally and allocated to organisations based on spend. **Impact on System Strategy:** ➢ The impact of the H1 position against the system financial strategy and underlying positions will be at worst a recurrent £0.5m increase to the deficit. ➢ The underlying assumptions that were built into the system strategy were tested and came out as realistic. ➢ However there are two emerging risks that have not been included in the H1 plan and both are specific to UHL: a) The first relates to the expansion of six ITU beds which is the first stage of UHL's ITU requirement from the network of reaching between 12-14 additional beds over the next 12-18 months. The funding is yet to be confirmed but it is extremely likely that these will be funded via Specialised Commissioning allocations and therefore have not been included in LLR's H1 plan. In order to mobilise these beds the recruitment of staff has commenced while final approval is awaited from NHSEI. The cost of delivering these beds is approximately £800,000 and the system will provide non-recurrent support until the funding is approved and received from NHSEI. b) The second relates to UHL's 2019/20 accounts which may revalue UHLs assets upwards. It is not clear at this stage what level of impact this will have but it would be a recurring pressure that would need to be recognised by NHSEI. If the Board is supportive of the approach to the above two matters Ms Briggs will write to NHSEI on behalf of the system setting out the systems position on these matters. **Memorandum of Understanding (MOU):** ➢ The CFOs are developing a MOU which will set out how system will work together, how the system headroom will be operated and set out how risks and emerging risks will be managed. It will also clearly set out how organisations can manage the allocations that are aligned to their organisations and manage opportunities and risks as they arise. **Current position for 2020/21:** Ms Briggs set out the latest forecast for the 2020/21 year end which is**:**	

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	➢ The system initially indicated there would be a £32.6m deficit; then developed a revised forecast which gave a £1m surplus at Month 11. The provisional position at Month 12 is a £17.6m surplus. Mr Sissling invited members of the Board for their comments, the key points are summarised below. East Midlands Ambulance Service (EMAS) confirmed that as a regional provider funding comes via the lead commissioner for their services, which is not the LLR CCGs. As such the costs of the LLR EMAS contract is reflected in the LLR system plan but EMASs total organisational finances are not part of the LLR system financial plan. In addition to the main allocations there are a considerable number, 30-40, of specific transformation funds which are either allocated to organisations or specific programmes. The system is moving towards a new model of funding for primary care from 1 July 2021 and information on this will be brought to the next Board meeting. Funding for this is included in the H1 plan as part of the CCGs organisational envelope. There have been significant announcements about long COVID funding and inflationary uplifts to GP contracts, which are all contained in the CCG plan. Clarification was given that IT is normally funded by capital and a system capital submission had been made a couple of weeks ago. In addition there is a system allocation of £1m available for any emerging IT transformation opportunities. Premises remain the responsibility of NHSEI and have not been included in the headroom. UHL continued to work, with significant external support to assess all relevant issues and implications relating to the finalisation of the 2019/20 accounts. A question was asked as to whether the Independent Sector could increase their activity further. It was confirmed that following joint working it is agreed that the level of Independent Sector activity included in the H1 plan is the maximum that can be done. It was also confirmed that the system is working with independent sector partners outside of LLR. It was confirmed that funding for long-COVID in primary care will be allocated through transformation funds. As part of the Clinical Executive discussion described earlier further work will be done on how to use the headroom allocated	

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	for the recovery of backlogs across the different sectors. Regarding the point raised earlier by the Chair around governance and continued oversight. A suggestion was made around taking a risk-based approach at organisational level and consolidating it into a system understanding of risk and then work through the resilience of the plan. It was **RESOLVED** to: • **NOTE** the that the financial plan developed aligns to the system financial strategy • **NOTE** the approach outlined to manage system headroom and collectively manage the financial position to breakeven during H1 • **APPROVE** The draft financial plan and use of system headroom The Board recognised and provided their gratitude to the Chief Financial Officers, the Finance Teams and in particular Ms Briggs for the tremendous amount of work that had been completed in a very short amount of time within the context of year end accounts.	
NHSB/21/43	**To APPROVE System Operational Plan (B1) and (LLR Operational Plan NHS Template for Information) (B2)** Mr Chudasama presented paper B1 and highlighted the key headlines as follows: ➢ There has been a system-wide approach to planning to produce an integrated system plan as opposed to organisational plans aggregated into a system plan. This has included individual planning teams and finance teams BI teams, and the design groups working together. ➢ The plan confirms that the system will meet all the planning requirements set out in the guidance. ➢ The system has worked together to produce and agree system activity, finance and workforce plans. ➢ The finance and activity positions were presented at the System Operational Group (SOG) meeting the previous Friday, but the workforce position had not been available at that time. The workforce plans are part of the plan being considered by the Board today. ➢ The activity numbers contained within the plan have not changed since they were discussed at SOG last Friday with the exception of Emergency Department figures that have been amended and been brought closer to 2019/20 levels. There is a positive level of activity in comparison 2019/20 levels. ➢ The workforce plans has been developed on the	

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	principles of realistic recruitment trajectories. ➢ The plan sets out that LLR will be able to meet the elective recovery fund (ERF) thresholds in all months of the H1 plan. When UHL and independent sector activity is added together the LLR plan will deliver circa 5% above the required thresholds each month. ➢ The plan does set out a range of performance measures, all of which the system is planning to meet including the five priorities around health inequalities. ➢ The overriding risk to the plan relates to workforce and being able to recruit in line with the workforce plan. In primary care, the risk is around the additional roles recruitment specification (ARRS), i.e. mental health practitioners, paramedics, etc. that are planned to be recruited to during the course of H1. ➢ The plan meets the Mental Health Investment Standards. ➢ The plan is due to be submitted by the close of play on Thursday 6 May 2021. It will then be considered by NHSEI and feedback provided in order to submit a final plan on 3rd June 2021. Mr Chudasama highlighted the following key risks in delivering the plan: ➢ The ability to recruit and retain sufficient workforce. ➢ The impact on any unmet need and backlogs across all sectors. ➢ The impact of a further wave of COVID-19 on restoration and recovery. ➢ The pace at which transformation schemes can be developed in light of the above risks. Mr Sissling invited members of the Board for their comments, the key points are summarised below. One of the Health Inequalities requirements is to understand the elective waiting lists in terms of ethnicity and deprivation. Further work will be required by the system to determine what actions need to be taken as a result of understanding this data. This would be for the LLR Clinical Executive to consider. The activity plan aligns to the experience of the system over the last four to five months. Therefore it is deemed a realistic position to submit. In relation to workforce risk there was an acknowledgement of possible repercussions for EMAS if paramedics were to leave to work in the Primary Care Networks (PCNS) as part of the Additional Role scheme. This would equate to 10-25% of the LLR paramedic workforce. EMAS are keen to work with the system and would like to look at other solutions, such as a	

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	rotational programme and have written to the PCNs asking that they do not work in isolation and talk to EMAS before proceeding with any plans for paramedic recruitment. It was noted from members that work at a regional level that the plan presented to the Board today represents a system plan rather than what is often seen in other system which is a plan that is the summation of individual organisational plans. The system has worked together on all aspects of the plan and that stands us out as a system. In order to manage risk it was agreed that a system Board Assurance Framework (BAF) should be developed. It was also acknowledged that clinical staff can provide input into the longer-term plan. Once again thanks were offered by the Board to the teams for the significant amount of work that had been completed in a short timeframe. It was **RESOLVED** to: ➢ **NOTE** the contents of this system planning update. ➢ **APPROVE** the 2021/22 draft activity plan for submission by 6 May 2021. ➢ **APPROVE** the 2021/22 draft workforce plan for submission by 6 May 2021. ➢ **APPROVE** the 2021/22 draft Operational plan narrative for submission by 6 May 2021. ➢ **AGREE** the next steps.	
NHSB/21/44	**Any Other Business** There were no items of Any Other Business. The meeting concluded at 10.05am.	
	Date and Time of next meeting: The next scheduled meeting of the LLR ICS NHS Board will take place on **Thursday 20 May 2021 at 10.00 am via MS Teams.**	