



AGENDA ITEM

7.4

CTM BOARD

INTEGRATED MEDIUM TERM PLAN 2023-2026

Date of meeting

24/11/2022

FOI Status

Open/Public

If closed please indicate reason

Not Applicable - Public Report

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Approving Executive Sponsor

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Report purpose

FOR NOTING

Engagement (internal/external) undertaken to date (including receipt/consideration at Committee/group)

Committee/Group/Individuals

Date

Outcome

(Insert Name)

(DD/MM/YYYY)

Choose an item.

ACRONYMS

IMTP

Intermediate medium term plan

MDS

Minimum data set

1. SITUATION/BACKGROUND

- 1.1 Developing an intermediate medium term (three-year) plan (IMTP) is a statutory duty for all Welsh health boards alongside the associated duty to achieve a financial break-even position during the three-year period, in accordance with section 175(2) of the National Health

Service (Wales) Act 2006 (as amended by NHS Finance (Wales) Act 2014)

- 1.2 The IMTP is required to align performance, service, workforce and financial planning along with the wider corporate teams' plans.
- 1.3 During the planning cycle for 2022-2025, undertaken during the last financial year, the health board established that due to the significant current and forecast cost pressures it would not be possible to achieve a financial break-even during the three-year period. Consequently, the planning cycle for 2022 focused on an annual plan.
- 1.4 Welsh Government publishes a planning framework in support of the IMTP process annually. Indications from Welsh Government representatives are that the planning framework for the 2023-2026 will be provided during October 2022.
- 1.5 Health organisations will be required to complete a minimum data set (MDS) comprising service, financial and workforce information. This is used to provide assurance on the robustness of plans.
- 1.6 A further anticipated requirement for this planning cycle is the inclusion of a template for the provision of detailed milestones for the plans for the first year of the next three-year cycle. Such a template has not been a specific requirement of previous cycles although organisations have been expected to provide detailed time-bound plans with milestones.
- 1.7 The MDS and planning template are expected to be issued in late November with the planning framework.

2. SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING

- 2.1 The proposed approach for the 2023-2026 IMTP is to be set in the context of CTM 2030 built from service plans for each care group and the corporate portfolios and with relation to partnership planning mechanisms.
- 2.2 The IMTP will be founded on the principle of seeking to balance service performance and improvement, quality and safety and financial improvement. It is essential that health board teams take as their starting point the ambition to transform services to meet the required expectations within budget.

- 2.3 The Health Board is forecasting a Core plan deficit for 22/23 of £26.5m, which excludes ongoing COVID costs and Exceptional costs such as energy.
- 2.4 At this stage it is unclear what the level of WG funding will be for 23/24 for the core plan uplift and also for COVID programme costs, COVID response costs and Exceptional energy costs. Our planning assumption is that this will be a very tight settlement and we have done a very high level estimate of the potential financial challenge for 23/24. This estimate is based on the assumption that WG funding is only provided for the 23/24 pay award, COVID programme costs (but not response costs) plus exceptional costs for energy and the real living wage impact on care homes:

	Best case	Most Likely	Worse case
	£m	£m	£m
Planned Recurrent deficit from 22/23	28.0	28.0	28.0
Forecast financial challenges from 22/23 – Care Groups and directorates (Note 1)	37.1	37.1	37.1
Forecast recurrent overspends – Non Delegated	(3.6)	(3.6)	(3.6)
Forecast recurrent overspends	36.9	36.9	36.9
Covid response costs – estimated impact on Recurrent position if costs not stopped by March 23	10.6	10.6	10.6
Estimated new cost pressures	21.9	32.1	42.4
Total financial challenge	94.0	104.2	114.5

- 2.5 The intention is to develop a full three-year plan, with the expectation that the plan for the first of the three years will provide more detailed milestones with broader objectives and high-level milestones set for the remaining two years of the plan.
- 2.6 It is the Health Board's ambition to seek to achieve a financially sustainable position over the period of the IMTP. However, the financial position moving into 2023/2024 presents significant challenges, as noted above, and will require transformational change to deliver savings while maintaining and improving patient care.

- 2.7 Ministerial expectations for the IMTP will include a requirement for the health board to deliver on the following:
- 2.7.1 Ministerial priorities and measures
 - 2.7.2 NHS Performance Framework
 - 2.7.3 Outcomes Framework
 - 2.7.4 The four national programmes: mental health, primary care, urgent and emergency care (Six Goals for Urgent and Emergency Care) and planned care (Planned Care Recovery)
- 2.8 The requirements against which NHS organisations are measured comprise quantitative and qualitative measurement in the NHS Performance Framework and include measures aligned to the quadruple aim and the Health and Care Standards. This incorporates:
- 2.8.1 Measures for improved health and wellbeing incorporating a number of areas including weight management, diabetes, substance misuse and vaccination.
 - 2.8.2 Planned care deliverables, including the requirement to ensure no patients to wait longer than 52 weeks for new outpatient assessment (delivery date December 2022) and patients to be treated in under 104 weeks.
 - 2.8.3 Urgent and emergency care key measures including number of conveyances by ambulance to a setting other than a type 1 emergency department, time from arrival to triage and definitive treatment.
 - 2.8.4 Cancer screening and cancer pathway delivery measures
 - 2.8.5 Mental health measures for both child and adolescent mental health services (CAMHS) and adult services, which assess access for diagnosis and treatment.
- 2.9 The graphic below represents the component parts of the planning process at a high level.



- 2.10 Internal guidance will be provided to care groups for the development of internal service plans along with a supporting template to assist them with setting out these plans. Care groups will have allocated planners from the corporate planning team to support them to develop their service plans and meetings/ workshops will be undertaken with each care group, as required. Planning, Finance and

Workforce and Organisational Development business partners will work closely with care groups to ensure alignment of the plans.

2.11 The timescale for the development of the plan is set out below.

Month	Key activities/ deliverables
October 2022	<ul style="list-style-type: none"> Welsh Government Planning Framework is expected – internal guidance will be updated, as required WHSSC draft plan will become available EASC planning – lists to support commissioning expected <p>Internal service plans to be commenced</p>
November 2022	<p>Internal service plans to be completed Draft IMTP to be drafted</p>
December 2022	Executive team and committee approvals
January 2023	<p>Board discussion and approval Submission to Welsh Government 31/01/2023</p>

2.9 A further key enabler for completion of the Health Board's three-year plan is confirmation from Welsh Government of the financial allocation for 2023-24. This will be fundamental to the assurance of deliverable plans within the Health Board's financial allocation. Welsh Government officials have not yet confirmed a date for notification of the Health Board's 2023-24 financial allocation.

3. KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 This report is presented to provide the Committee with the process for developing the Health Board's IMTP for the period from 2023-24 to 2025-26.
- 3.2 Given the tight timescales for delivery of the plan to Welsh Government by the stipulated deadline of 31st January 2023, planning must commence in advance of receipt of the key planning documents and templates for the submission and in advance of confirmation of financial allocation for the forthcoming financial year.
- 3.3 This will require service plans and the draft IMTP document to go through several iterations to ensure that they are aligned with the requirements and expectations of Welsh Government.



- 3.4 To minimise the risk of requiring major changes, regular meetings are held between the Health Board's Planning Team and Welsh Government's officers.

4. IMPACT ASSESSMENT

Quality/Safety/Patient Experience implications	There are no specific quality and safety implications related to the activity outlined in this report.
Related Health and Care standard(s)	Governance, Leadership and Accountability
	The IMTP presents the health board's key priorities and plans to address these during a three-year period. Consequently, the IMTP relates to all Health and Care Standards
Equality Impact Assessment (EIA) completed - Please note EIAs are required for <u>all</u> new, changed or withdrawn policies and services.	No (Include further detail below)
	Any service changes described within the IMTP would be subject to EIA at the relevant point in the service development and change process.
Legal implications / impact	There are no specific legal implications related to the activity outlined in this report.
	Provision of a board-approved, financially balanced three-year plan is a requirement under section 175(2) of the National Health Service (Wales) Act 2006 (as amended by NHS Finance (Wales) Act 2014).
Resource (Capital/Revenue £/Workforce) implications / Impact	There is no direct impact on resources as a result of the activity outlined in this report.
Link to Strategic Goals	Improving Care

5. RECOMMENDATION

- 5.1 The Board is requested to **note** the requirement for the development of the IMTP and the approach for this year's plan development.
- 5.2 The Board will be provided with updates on progress, as required and will receive the draft plan for consideration.