

## UNDERTAKINGS

### NHS INTEGRATED CARE BOARD

NHS Shropshire, Telford and Wrekin Integrated Care Board (“the ICB”)  
6 Halesfield Road  
Telford  
TF7 4EF

### DECISION

NHS England, on the basis of the grounds set out below, has decided to accept from the ICB the enforcement undertakings specified below pursuant to its powers and in connection with its functions under the National Health Service Act 2006 (as amended) (NHS Act 2006).

### GROUNDINGS

NHS England has reasonable grounds to suspect that the Shropshire, Telford and Wrekin Integrated Care Board (“the ICB”) is failing or has failed to discharge one or more of its functions, or that there is a significant risk that it will fail to do so, in particular its functions under sections 14Z33 in relation to efficiency and sustainability, 223L, and 223M of the NHS Act 2006.

#### 1. Financial governance

##### 1.1. In particular:

- 1.1.1. The financial plans of the Shropshire, Telford and Wrekin Integrated Care System (ICS) (the ICS refers to the ICB plus partner NHS Trusts and Foundation Trusts) do not demonstrate joint financial objectives for integrated care boards to manage resources and achieve financial sustainability. In April 2023, the ICB submitted plans for a 2023/24 ICS deficit of £51.7m (5.1%).
- 1.1.2. Subsequent financial performance and net financial risk reported by the ICS during 2023/24 further demonstrates concerns about the ICB exercising its functions effectively, efficiently, and economically.
- 1.1.3. The ICS has reported a significant adverse year-to-date variance to its deficit financial plan in 2023/24 year-to-date. In addition, the ICS has reported an increased net financial risk for 2023/24.
- 1.1.4. The ICB has reported a deficit in 2023/24 and there is significant risk to meeting its obligations under the deficit plan agreed with NHS England and ensuring controls are in place on resource use.

- 1.1.5. The ICS has not demonstrated efficiency in relation to the use of resources available to it. In particular, implied acute productivity has fallen since 2019/20 and efficiency plans are not being delivered.
- 1.1.6. The ICS has reported significant growth in workforce costs which are not financially affordable and provider year-to-date pay costs are significantly above planned levels. Use of temporary staff in the system is significant and increasing. The ICS has failed to meet the planning target for agency costs as a percentage of total pay costs.
- 1.1.7. In addition, since 1 July 2022, each integrated care board (including, in this case, the ICB) and its partner Trusts have been subject to a duty to seek to achieve joint financial objectives set by NHS England (s233L NHS Act 2006). Further, each integrated care board and its partner Trusts have a duty to act with a view to ensuring that their combined resource use does not exceed the capital and revenue resource limits set by NHS England (s233M NHS Act 2006). Each integrated care board must also exercise its functions effectively, efficiently and economically (s14Z33 NHS Act 2006).

## 2. Operational Performance

- 2.1. The Shropshire, Telford and Wrekin ICS continues to experience challenges in relation to delivery of Urgent and Emergency Care (UEC) performance; including increasing delays in ambulance handovers, 4-hour and 12-hour wait times due to poor flow.
- 2.2. The ICB continues to experience challenges in leading and facilitating collaboration across system partners to ensure that there is collective ownership of the capacity, flow and discharge issues through the system and that risk is shared appropriately.

## **NEED FOR ACTION**

NHS England believes that the action which the ICB has undertaken to take pursuant to these undertakings, is action required to secure that the failure to discharge its functions does not occur, continue or recur.

## UNDERTAKINGS

NHS England has agreed to accept and the ICB has agreed to give the following undertakings.

### 1. Financial governance - Recovery Plan

1.1 The ICB will work with its partner NHS Trusts and NHS Foundation Trusts (system providers) to develop a single time-bound Recovery Plan (“the Recovery Plan”), by a date to be agreed with NHS England, that brings together the ICB, provider and additional system wide recovery initiatives. The Recovery Plan should be agreed with NHS England and should:

1.1.1 Reflect NHS England planning guidance including for 2023/24 and 2024/25;

1.1.2 Demonstrate recurrent financial improvement to the system NHS partners underlying deficit, reduce the system monthly deficit run-rate, preserve cash and minimise the deficit;

1.1.3 Include a high-level milestone plan for the system to return to a breakeven financial position in accordance with timeframes agreed with NHS England;

1.1.4 Include actions to address the key financial issues, including expenditure on workforce costs and efficiency delivery, with a high-level milestone plan for the system to return to a breakeven financial position.

1.1.5 Establish immediate financial and operational grip and control actions, followed by transformational initiatives and options such as financially sustainable clinical services, clinical support services and corporate services;

1.1.6 Reflect recovery plans which have been developed with and agreed with system provider organisations;

1.1.7 Include details of how the system will deploy sufficient resources to ensure implementation of the Recovery Plan; and

1.1.8 Include a description of systems and processes the ICB will use to gain assurance on the delivery of the Recovery Plan with governance arrangements for approval and delivery of the Recovery Plan;

1.2 When developing the Recovery Plan, the ICB will, working with its system providers, engage effectively with key stakeholders and will ensure their views are reflected appropriately in the Recovery Plan.

1.3 The ICB will, working with its system providers, ensure that the system demonstrates to NHS England a period of successful implementation of the Recovery Plan and assurance of continued focus, capability and capacity to sustainably maintain financial recovery and deliver the Recovery Plan.

- 1.4 The ICB will, working with the system providers, keep the Recovery Plan under continuous review and will update it as required. Any proposed updates will be subject to the review and approval by NHS England.
- 1.5 The ICB will make reasonable efforts to provide whole system leadership, enabling and ensuring accountability for delivery of the Recovery Plan.

## 2. Operational delivery

- 2.1 The ICB will provide a comprehensive, system-wide UEC Improvement plan (“the Improvement Plan”) by a date to be agreed with NHS England which demonstrates the appropriate system actions and controls in place for improving UEC access, quality and performance across the whole UEC pathway, including an outline of how the ICB demonstrates it has robust escalation procedures in place (both in and out of hours) for addressing system capacity, utilisation and the management of risk.
- 2.2 The ICB will, working with system providers, keep the Improvement Plan under continuous review and will update it as required. Any proposed updates will be subject to review and approval by NHS England.

## 3 Programme management

The ICB will work with its partner NHS Trusts and NHS Foundation Trusts (system providers) to implement sufficient programme management and governance arrangements to enable delivery and reporting of these undertakings.

- 3.1 Such programme management and governance arrangements must enable the ICB board to:
  - 3.1.1 Obtain clear oversight over the process and progress in delivering these undertakings;
  - 3.1.2 Obtain an understanding of the risks to the successful achievement of the undertakings and ensure appropriate mitigation; and
  - 3.1.3 Hold individuals to account for the delivery of the undertakings.
- 3.2 The ICB will provide to NHS England direct access to its advisors, programme leads, and Board members as needed in relation to matters covered by these undertakings.
- 3.3 The ICB will work with its partner NHS Trusts and NHS Foundation Trusts (system providers) to ensure there is sufficient capacity and capability to deliver the recovery and improvement plans referenced above. Where deemed by NHS England to be necessary, the ICB will obtain external support from sources and according to a scope and timescale to be agreed with NHS England.

#### 4 Improvement Support

4.1 The ICB will co-operate and work with the system Improvement Director appointed by NHS England to oversee and provide independent assurance to NHS England on the collective system and ICB actions to deliver its financial and UEC performance recovery and exit from the Recovery Support Programme.

#### 5 Meetings and reports

5.1 The ICB will provide regular reports to NHS England on its progress in complying with the undertakings set out above;

5.2 The ICB will attend meetings or, if NHS England stipulates, conference calls, at such times and places, and with such attendees, as may be required by NHS England. These meetings will take place once a month unless NHS England otherwise stipulates, at a time and place to be specified by NHS England and with attendees specified by NHS England;

5.3 Upon request, the ICB will provide NHS England with the evidence, reports or other information relied on by its Board in relation to assessing its progress in delivering these undertakings;

5.4 The ICB will comply with any additional reporting or information requests made by NHS England.

The undertakings set out above are without prejudice to the requirement on the ICB to ensure that it meets its statutory duties.

Any failure to comply with the above undertakings may render the ICB liable to further formal action by NHS England. This could include directions given to the ICB under section 14Z61 of the NHS Act 2006.

Where NHS England is satisfied that the ICB has given inaccurate, misleading or incomplete information in relation to the undertakings: (i) NHS England may treat the ICB as having failed to comply with the undertakings; and (ii) if NHS England decides so to treat the ICB, NHS England must by notice revoke any compliance certificate given to the ICB in respect of compliance with the relevant undertakings.

## **THE INTEGRATED CARE BOARD**

Signed



Simon Whitehouse

**Chief Executive of Shropshire Telford and Wrekin Integrated Care Board**

Dated 8 April 2024

## **NHS ENGLAND**

Signed



Rebecca Farmer

**Director of Strategic Transformation (West Midlands) and member of the Regional Support Group (Midlands)**

Dated 1.5.2024

