

23 April 2004

Mr David Smith
Director of Planning
Surrey and Sussex SHA
York House
18-20 Massetts Road
Horley
Surrey
RH6 7DE

Dear David

2004/05 Local Delivery Plan

Further to our meeting of 5th April I enclose a revised Financial Recovery Plan for the East Sussex Health Community, which has been agreed by all the constituent partners except for East Sussex County Healthcare (ESCH), who are not able to agree the outcome of the 3rd March arbitration as they feel the subsequent e-mail from Barry Elliott indicates that the total of all the savings plans which organisations had in place should have been taken into account. ESCH believe that their interpretation would mean that they would need to save £3.8 million rather than £4.8 and result in corresponding impacts on the other East Sussex organisations. This matter was discussed at the Health and Social Care Education Executive this week where all of the other East Sussex organisations believed that the issue had been resolved. However, it was agreed that a further meeting between Stephanie and myself would be arranged, although this too failed to reach agreement. ESCH wish to go to arbitration to resolve this issue as the only avenue open to them.

The East Sussex LHE have appointed SECTA to do several pieces of financial work to help understand organisational financial positions. This work includes :

- A review of organisation's 2003/4 financial position, the recovery plans that are in place, and their 2004/5 plans
- A review of the robustness of the action plans being developed to support this LDP

In addition I have approached Jan Filochowski, who has been invited to join us for up to two days a week from early May, to assist with modernisation. Exact terms of reference still need to be agreed between us.

Further work has been undertaken since the last submission on 2nd April in several areas including :

- Development of the Governance arrangements proposed across the LHE in order to ensure that organisations are held accountable to each other for the actions required to deliver the LDP. Also to ensure that organisation's Boards are aware of this accountability and its impact on organisation's positions.
- Work at ensuring that the Clinical Services Review underpins the actions proposed within the LDP.

Further work is necessary to agree:

- the significant bed reductions required by the main local acute provider,
- reductions in delayed transfers of care
- the innovative use of the Social Services reimbursement monies
- as well as Access Booking and Choice and nGMS resources.

Obviously this LDP will need to be presented to each organisation's Board and it would be useful if approval could be given by the SSHA, as speedily as possible, to ensure that this could be presented to all May board meetings.

Yours sincerely

Toni Wilkinson
Chief Executive
Hastings & St Leonards PCT

c.c. Fiona Henniker
Gina Brocklehurst
Rick Stern
Annette Sergeant
Stephanie Parkes-Crick
Kate Money
Barry Elliott
Chris Hix
Ken Ellis
Val Harris
David Townsley
Helen Aldis
Chris Fincham
Peter Finn
John Vesely