



## PWYLLGOR CYLLID FINANCE COMMITTEE

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	23 April 2021
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Commissioning Group Update from its Meeting Held on 21 <sup>st</sup> April 2021
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Huw Thomas, Director of Finance
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Shaun Ayres, Assistant Director of Commissioning

**Pwrpas yr Adroddiad (dewiswch fel yn addas)**

**Purpose of the Report (select as appropriate)**

Er Gwybodaeth/For Information

### ADRODDIAD SCAA SBAR REPORT

#### Sefyllfa / Situation

This report provides the Finance Committee with information pertaining to the Commissioning Group meeting held on 21<sup>st</sup> April 2021.

#### Cefndir / Background

The Commissioning Group has been set up with a focus on reviewing areas of external spend and to develop robust pathways, with a clear focus on quality and patient outcomes.

This paper introduces the topics and discussion points from the third meeting of the Commissioning Group.

#### Aseiad / Assessment

After initial welcome and introduction the group received a presentation on Procurement Thresholds & Tendering Stages.

#### Procurement Thresholds & Tendering Stages

The group was presented with an overview of the procurement thresholds and the necessary steps required, dependent on the value of the procurement. The group was also informed of the steps which must be undertaken through the procurement tendering stages and the key deliverables required at each stage. For information, the Hywel Dda University Health Board's (HDdUHB) Scheme of Delegation was also included.

The purpose of the presentation and the discussion focused upon reminding the group that:

1. There are a number of contracts that ideally need to be re-tendered
2. The timelines to complete the process can be protracted

Subsequent to the discussions, an action was assigned to send out a prioritised list of contracts (ie. prioritised from a procurement perspective) to the group to seek agreement on that prioritisation and then mark out next steps with the aid of the Commissioning Group to initiate

the process eg. review of service specifications, link to value for money review and development of any business cases.

It is noteworthy that the Mental Health (MH) Team has already begun its re-tendering exercise, through a Joint MH&LD Commissioning Group, as an offshoot of the Commissioning Group. The adopted approach of this group with regard to procurement has been to extend its contracts until March 2023, to fully evaluate all its contracts over the next year, and then to re-tender all the contracts, for commencement on April 1<sup>st</sup> 2023.

### **Commissioning and Repatriation Opportunities**

A discussion was held, led by the Chair, regarding repatriation opportunities for HDdUHB for activity which is carried out outside the Health Board (HB) area.

It was noted that Welsh Government has expected HDdUHB and other Welsh Health Boards to have robust recovery plans, which include repatriation as a key element. Discussions focused upon activity going elsewhere outside HDdUHB and the difficulty the HB can then potentially face in attaining capital funding in the future.

The group has been tasked with looking at specific areas of service delivery where activity which goes outside HDdUHB could feasibly be repatriated into the HB. The group also noted and recognised the need to understand this in the context of demand and capacity planning and existing workforce capability ie. 'the art of the possible'.

### **Elective Orthopaedic & Spinal Surgical Unit**

In relation to the issue of repatriation, a specific paper was brought to the group's attention by the Chair regarding the Elective Orthopaedic and Spinal Surgical Unit.

The paper itself focused upon the investment which Swansea Bay University Health Board (SBUHB) is seeking in order to provide a fit-for-purpose Orthopaedic & Spinal Surgical Unit for SBUHB and HDdUHB residents.

The group queried whether this is something that the HB should be supporting, or whether it should look to repatriate these services, either now or in the future. In this example, the Service Leads and Managers present deemed that the HB currently had neither the workforce expertise nor the infrastructure to deliver a safe service within HDdUHB. Thus, it was felt that the HB should be broadly supportive of the proposals of the paper.

It was noted that, notwithstanding this support, the HB must fully understand what is being provided by the service with SBUHB in order to aid better planning - now and for the future - and to ensure that activity is seen in the right place at the right time in the first instance. Quality concerns and issues have also been noted and therefore the continued interaction with both Health Boards' Quality Leads was deemed to be important.

### **Commissioning CHC – Next Steps/ Update**

A final brief presentation on issues relating to Continuing Healthcare (CHC) and fee structure was given to the group.

The presentation simply highlighted the legal issues that are present within the current way in which the HB derives its fees and served to highlight some of the work that has been undertaken in order to potentially mitigate some of that legal risk.

The group was also made aware of the paper which was presented in the In-Committee session of the Finance Committee Meeting held on April 29<sup>th</sup> 2021.

The group acknowledged the issues presented and made the following key related points:

- There is a need to develop a new fee structure;
- The Local Authority (LA) Modelling is robust and considers a number of inflationary factors;
- HDdUHB continues to work with the LAs to develop a structure that reflects the Health and Social Care Market;
- The LAs continue to be the Lead Commissioner and thus any fee structure needs to consider the LA impact;
- There have been some positive discussions around aligning methodology across the counties. However, it is unlikely that there will ever be one single fee structure, due to the current baselines.

Further discussion centred around the issue of requests made by Care Homes for additional payments. It was noted that, due to COVID-19 restrictions, patient assessments are no longer carried out in acute settings - recognising that this represents a positive move and an enabler of the 'discharge to assess' process. However, currently within the system there are a number of Care Homes demanding additional payment/ fees before they accept patients from the HB, citing the gap between the Health payments and what it costs the Care Homes to provide a CHC service. These fees can range from anything between £35 to £200, the majority being within £35 - £50.

#### Argymhelliad / Recommendation

The Committee is asked to note the content of the report and the discussions held by the Commissioning Group in its meeting held on 21<sup>st</sup> April 2021.

<b>Amcanion: (rhaid cwblhau) Objectives: (must be completed)</b>	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.5.9 Commissioning regular reviews of key contracts, suppliers and partners to ensure they continue to deliver value for money
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Risk to the HB's ability to deliver the Financial Plan for 2021/22 (risk score 12)
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners.

Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Statement</a>	Improve Population Health through prevention and early intervention
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<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Evidence is included within the report.
Rhestr Termau: Glossary of Terms:	An explanation of terms is included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cyllid: Parties / Committees consulted prior to Finance Committee:	Commissioning Group

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian: Financial / Service:</b>	Healthcare Commissioning
<b>Ansawdd / Gofal Claf: Quality / Patient Care:</b>	Not Applicable
<b>Gweithlu: Workforce:</b>	Not Applicable
<b>Risg: Risk:</b>	Included within the report
<b>Cyfreithiol: Legal:</b>	Not Applicable
<b>Enw Da: Reputational:</b>	Possible impact upon relationship with external providers.
<b>Gyfrinachedd: Privacy:</b>	Not Applicable
<b>Cydraddoldeb: Equality:</b>	Not Applicable