Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR DATBLYGU STRATEGOL A CHYFLENWI GWEITHREDOL
STRATEGIC DEVELOPMENT AND OPERATIONAL DELIVERY COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	26 June 2023
TEITL YR ADRODDIAD: TITLE OF REPORT:	Targeted Intervention
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies, Director of Strategy and Planning
SWYDDOG ADRODD: REPORTING OFFICER:	Daniel Warm, Head of Planning

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Er Sicrwydd/For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

As previously reported to the Strategic Development and Operational Committee (SDODC) and Board, Hywel Dda University Health Board (HDdUHB) has had its escalation status raised by Welsh Government (WG) from enhanced monitoring to targeted intervention for planning and finance.

This paper provides the SDODC with an update on the key products expected as part of the planning element of this escalation status.

Cefndir / Background

As previously noted to SDODC in December 2022, on 29th September 2022, Welsh Government wrote to the Health Board to advise *"the Minister has accepted the recommendation of Welsh Government officials that the escalation status of Hywel Dda University Health Board be raised to 'targeted intervention' for planning and finance but will remain at 'enhanced monitoring' for quality issues related to performance resulting in long waiting times and poor patient experience.*

The reason for increasing the escalation level to targeted intervention for finance and planning is because the health board has been unable to produce an approvable three-year Integrated Medium Term Plan (IMTP), or a finalised annual plan and the growing financial deficit being noted".

Targeted intervention is a heightened level of escalation within NHS Wales and occurs when the WG and the external review bodies have considered it necessary to take co-ordinate action in liaison with the NHS body to strengthen its capability and capacity to drive improvement.

WG confirmed that de-escalation would be considered when the HDdUHB:

- had an approvable and credible plan, and improvement in its financial position.
- assessment at level 3 of the maturity matrix.

- agreement of and sustainable progress made towards a finance improvement trajectory.
- builds on relationships and fully engages on the transformation and reshaping of services.

The Health Board has formal Targeted Intervention meetings with WG and other colleagues on a quarterly basis with the last meeting taking place on 21st June 2023.

Asesiad / Assessment

Maturity Matrix

As noted previously there is an expectation to undertake an exercise to establish the maturity of our planning processes, which includes:

- Develop a planning maturity matrix through which the organisation could assess themselves against in order to identify the steps required to develop the planning processes.
- HDdUHB to develop the maturity matrix in conjunction with staff and stakeholders.
- Assessment at level 3 of the maturity matrix.
- The HDdUHB to conduct its baseline assessment and set out the planning improvement journey following receipt of the 2023/24 planning guidance.

The draft Maturity Matrix was presented to SDODC in December 2022; and the draft baseline assessment to SDODC in February 2023. A critical element of our maturity matrix progression, will be further review of our Planning processes including our Planning Cycle, and how the Planning team supports this. In part this will be influenced by the findings of the Peer Review element of our Targeted Intervention status (see below).

Peer Review

As part of the TI process, WG identified the requirement to undertake an independent rapid peer review of:

- integrated planning capacity and capability within Hywel Dda both in terms of IMTP planning and capital planning.
- the organisation's approach to developing their IMTP and the associated decision-making mechanisms.

WG identified Sally Attwood, previously of Public Health Wales to undertake this independent review; Sally has been working on this since early February 2023, and the process has comprised a range of activities including a review of documents and interviews with people internal and external to the Health Board. A draft of the report (without recommendations) was received and Health Board has responded to the factual accuracy and overall content relating to the body of the report. The final report has now been received and is attached as Appendix 1.

However, cognisant of the fact that as a Health Board we need to be developing our Planning processes, we have begun to progress our thinking on this (now termed Master Action C within the overarching Targeted Intervention work programmes). The bullets below summarise the approach we are intending to take:

- The proposed planning process is intended to provide the requested clarity and expectations around Investments, Service Developments and Savings Schemes. Equally, the approach set out herein aims to address Master Action C and provide the requisite assurance to Welsh Government as part of Targeted Intervention.
- The proposed Planning Approach would align to the Maturity Matrix and the expectations set out therein and would move us towards Level 3 and 4 in several areas

- The Proposed Planning Approach is drafted in recognition of both Master Action C and Master Action D (this is in regards to Programme and Project Management processes). Whilst, these are separate actions, there are a number of synergies and overlaps between the two Actions. Consequently, the Proposed Planning Process aligns insofar as is reasonably possible the two Master Actions, however, there is full recognition that they are separate Actions in their own right.
- The proposed planning process is also aligned and predicated to templates such as Plans on Page for our Planning Objectives which is aligned to the Board Assurance Framework and Ministerial Priorities. Moreover, the approach will support the IMTP process and Targeted Intervention namely Master Action C.
- Planning in healthcare is multifaceted and complex, therefore, a process in of itself is seldom the only aspect to consider. In many instances, there can be a process within a process, as the interdependencies and complexities requires a significant breakdown and an independent approach/breakdown.
- Recognising the last point, the approach set out is as follows:
    1. Governance, Accountability and Planning Objective Alignment
    2. Planning Function Roles and Responsibilities
    3. Current Enablers and Platforms inclusive of the Change Activity Scale and Hywel Dda way
    4. A proposed planning process
    5. Work Breakdown Structure (a breakdown of activities)
    6. Underpinning Demand and Capacity Assumptions
    7. Change Management Principles and Techniques

Critical to the development of this will be the right tools and case management system to ensure that given the complexity of the Health Board, we are able to clearly understand where we are in the development of Plans.

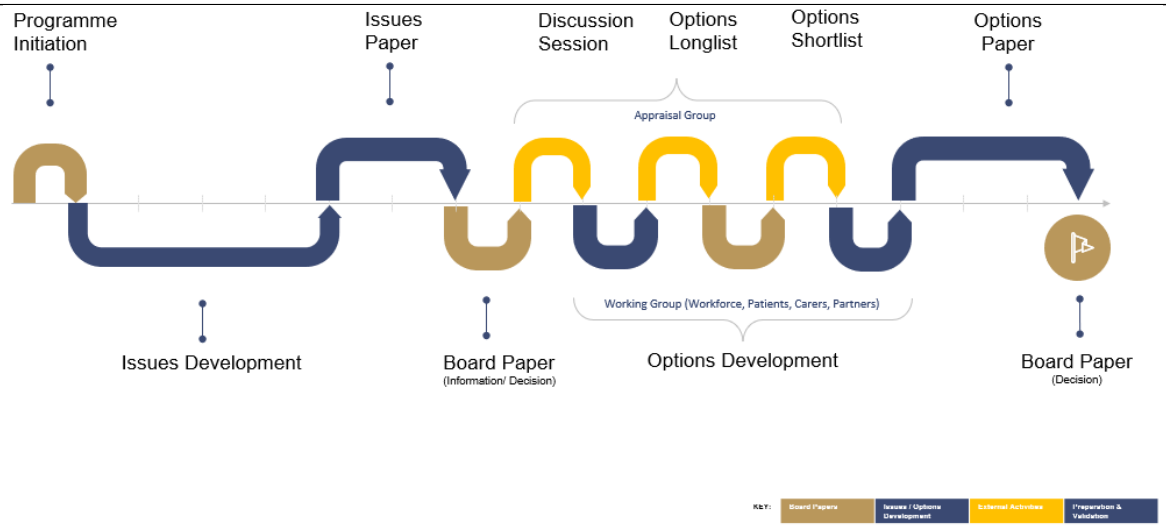
The approach to Master Action C is currently in draft and will be shared more formally with SDODC at its next meeting in August 2023.

Clinical Services Plan

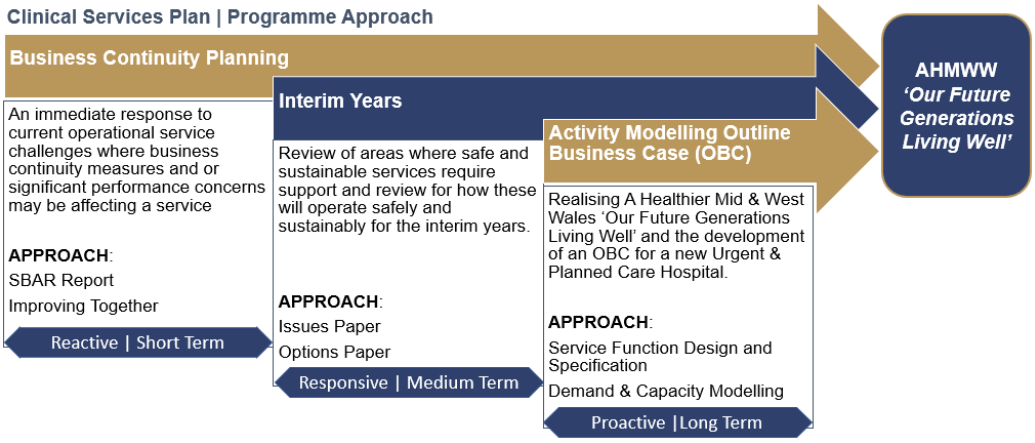
In supporting a response to Targeted Intervention, the establishment and scope of a programme to develop a Clinical Services Plan (CSP) was approved by Public Board in March 2023 (link to: Clinical Service Plan) whilst a further update was provided to Public Board in May 2023 (link to: Clinical Services Plan update to May 2023 Public Board). The CSP links to the Health Board's agreed strategy, "A Healthier Mid and West Wales", which sets out our vision for health care across Hywel Dda, including the future configuration of services. This remains our direction of travel and was reinforced through the Programme Business Case approved by Board in January 2022.

Due to the nature of service provision across Mid and West Wales, it is recognised that a wide range of services have inherent fragilities. This was a key driver behind the development of the Health Board's strategy which seeks to reduce, if not eliminate, the risks to sustainable service provision. Until the strategy is fully implemented, in particular the establishment of the proposed new hospital network, services are having to manage these fragilities daily. The pandemic has further exposed these fragilities, with many services unable to return to pre-COVID-19 activity levels or service models.

The CSP approach draws on proven experience within the Health Board in delivering a methodical process in developing the issues and where required a detailed process in developing the options as identified in the graphic below.



In addition to this the CSP will support in delivering activities as required by the Outline Business Case for a new hospital network. which will allow for improved Demand and Capacity modelling approaches within the Health Board.



Argymhelliad / Recommendation

The Committee is asked to receive assurance from the ongoing response to Targeted Intervention (from a Planning perspective) and note the peer review report. An action plan will be developed in response to the report and brought back to the next Committee meeting.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	2.2 Provide assurance to the Board that the planning cycle is being taken forward and implemented in accordance with University Health Board and Welsh Government requirements, guidance and timescales
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply

Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	9. All HDdUHB Well-being Objectives apply

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Not applicable
Rhestr Termau: Glossary of Terms:	Not applicable
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Datblygu Strategol a Chyflenwi Gweithredol: Parties / Committees consulted prior to Strategic Development and Operational Delivery Committee:	Targeted Intervention Working Group Escalation Steering Group Public Board

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	This is a key component in the delivery of the Targeted Intervention work programme
Ansawdd / Gofal Claf: Quality / Patient Care:	This is a key component in the delivery of the Targeted Intervention work programme
Gweithlu: Workforce:	This is a key component in the delivery of the Targeted Intervention work programme
Risg: Risk:	Risks will be assessed as part of the ongoing process of both the development of the Targeted Intervention work programme and its subsequent monitoring
Cyfreithiol: Legal:	As above
Enw Da: Reputational:	Hywel Dda University Health Board needs to meet the targets set in order to maintain a good reputation with Welsh Government, together with our stakeholders, including our staff
Gyfrinachedd: Privacy:	Not applicable

Cydraddoldeb: Equality:	Consideration of Equality legislation and impact is a fundamental part of the planning of service delivery changes and improvements.

A PEER REVIEW OF PLANNING ARRANGEMENTS IN HYWEL DDA UNIVERSITY HEALTH BOARD MARCH 2023

Introduction

1. In January 2023 Welsh Government officials commissioned a rapid peer review of planning arrangements in Hywel Dda University Health Board. The review is one component in a range of measures within a targeted intervention approach to improving the Health Board's planning arrangements by identifying areas of good practice as well as areas for support and improvement.

2. The terms of reference for the review expected a focus on the integrated planning capacity and capability within the Health Board as well as the planning and decision-making around the Integrated Medium Term Plan (IMTP) and capital planning. The agreed approach for the review was to: gather background information from Welsh Government officials and the Health Board; review relevant documents; and interview key staff involved in meeting the Health Board's responsibility to produce an approvable Integrated Medium Term Plan (IMTP). At the outset, some group sessions were envisaged, however, this was judged to be more appropriate once all the components of the targeted intervention work on planning had been completed.

3. With the valuable and timely help of Health Board staff, a schedule of face to face interviews was undertaken during February and March. Interviewees were those Health Board staff involved in developing, leading and monitoring the planning function. Details of interviewees and documents are at *Appendix A*.

4. To meet the requirements of the terms of reference, the scope of the review considered:

    - the strategic context within which the planning function operated and the context in which the IMTP was developed in the Health Board;

    - an assessment of whether the Health Board had access to sufficient planning capacity and capability;

- an understanding of how the Health Board went about developing the IMTP including the triangulation of plans using operational, workforce and financial inputs;

- an understanding of how stakeholders were involved in developing plans; and the

- decision making processes and governance of the IMTP.

5. The help and support from Health Board staff in making this review run smoothly was much appreciated.

Document Structure

6. This document reflects the terms of reference and has four sections. The first provides introductory and contextual information relevant to the review. **Section 2** focuses on current planning capacity and capability; **Section 3** looks at the current arrangements for developing the IMTP and capital plans and how these arrangements are governed; and **Section 4** sets out conclusions and recommendations.

7. It is assumed that readers of this review will be familiar with NHS planning in Wales and its requirements. Extant guidance is not replicated in the document unless it is required to emphasise a specific point.

Section 1: RELEVANT CONTEXT

Background

8. Information on the need for the review was obtained from Welsh Government officials and the Finance Delivery Unit. This led to the following key considerations, namely, the need to understand the extent to which the Health Board:

- was able to plan and deliver change effectively ensuring connectivity between the short, medium and long term with the commitment of operational services;

- paid attention to detail when planning and with a focus on benefits and outcomes;

- considered the feasibility of delivering plans before submitting bids for capital schemes, especially in terms of timescales, revenue implications, workforce and overall fit within the Health Board's future clinical model; and also

- the extent to which the Health Board's planning triangulated information between operational, workforce, finance and capital plans.

IMTP Process

9. In advance of the NHS Finance (Wales) Act, in February 2013, Welsh Government issued new planning guidance to NHS bodies in Wales.[1] Since then health bodies have been required to produce an IMTP covering three years. While the main premise of the IMTP has remained since 2013, it has developed over time and was adapted during the pandemic.

10. To influence and shape the plan, each year the planning community across Wales is involved in looking back at the effectiveness of the process and contributions are sought on the guidance for the coming year. Feedback on the IMTP is provided to each health body and during the year there is a range of joint performance meetings to review progress.

11. Hywel Dda University Health Board has never had an approved IMTP. In these circumstances, it has been required to produce an Annual Plan within a three year context as well as participate in various performance improvement activities, such as targeted intervention.

[1] The Act came into force in January 2014 and replaced the duty on health bodies to secure expenditure on an annual basis to a three-year rolling timeframe.

12. In terms of IMTP processes prior to the pandemic, interviewees gave reflections that painted a picture of planning being an annual event that triggered requests for contributions – via a template – to the centre from service areas and functional departments. A range of comments included: a perception that the pre-pandemic IMTP process appeared to have an investment focus rather than an approach to savings; and collating ideas and narrative which had not been prioritised. Mentioned by most interviewees was one year when a particular template had resulted in over 400 submissions; overwhelming the capacity at the centre to deal with this level of information. Several interviewees added that contributors to that planning process were still 'smarting' from that experience.

13. In 2016-17 the Health Board set about developing an ambitious strategy for health and healthcare in mid and west Wales. Led by the Medical Director, planners from across the Health Board had been drawn into a transformation team that supported the development of *A Healthier Mid and West Wales: Future Generations Living Well*. Agreed by the Board in 2018, this document (hereafter, the strategy), was characterised by extensive stakeholder and public engagement. One interviewee reflected that the planning and execution of the strategy development had been "meticulous".

14. Alongside the strategy development, changes were underway in the senior leadership of the corporate planning function. At the time, planning was the responsibility of the Director of Finance, Planning and Performance. From 1 January 2017 the role was divided: an interim Director of Finance became responsible for finance, whilst planning and performance had remained with the former Director of Finance, Planning and Performance who became Director of Planning, Peformance and Commissioning.

15. In September 2018 a substantive Director of Finance took over the finance role. In October 2020, the Director of Planning, Performance and Commissioning left the Health Board and the planning function was taken on by the Director of Finance until the Director of Strategic Development and Operational Planning came into post in April 2021.

16. Interviewees who were around during this period remarked that, in hindsight, combining planning with other functions had probably not been a satisfactory situation as it may not have been given a high enough profile.

17. Understandably, during the pandemic, planning was affected and the corporate Planning Team was deployed to support the emergency planning structure. Similarly, the national requirements of the IMTP process were adapted to reflect the unprecedented circumstances. Despite this, in February 2022, the Health Board was able to develop and submit a Programme Business Case to support the strategy. The Health Board's operational planning and reporting during the pandemic was assessed by external observers as good. It was notable that most interviewees reflected (unprompted) on the positive impact of the pandemic on planning. During that time, the Planning Team was deployed across the various groups and this had meant greater visibility and appreciation of their skills.

18. It was reported that during the pandemic the Health Board had operated at Gold, Silver and Bronze levels and this had helped to reshape planning and decision-making which needed to be undertaken at the most appropriate level. There had been the opportunity to review all the Board's commitments (circa 350) which had resulted in these being refined to around 60 planning objectives. These were made the common planning currency for all plans. Further, it was reported that these objectives were linked to the six strategic objectives in the strategy thereby producing a connected framework from which progress could be measured.

19. In reviewing relevant planning documents, it was notable that there has been feedback relevant to the review from a range of sources, namely:

    a. regular feedback from **Welsh Government** as part of the IMTP process. When asked about feedback from Welsh Government on their plans, it was notable that respondents did not think there was anything specific; it was reported that sometimes it was difficult to understand it. The positive feedback on the planning in the pandemic response was mentioned numerous times. Significantly, there was consensus among interviewees on the failure to secure an approved plan being the result of a range of factors, such as, the

problems caused by large numbers remaining in hospital even though fit for discharge; fragility in service configuration; an old estate across a very large geography; and severe recruitment issues. The root causes of these problems were considered to be outside of the control of the Health Board and made planning and the IMTP process extremely difficult.

b. **Structured Assessments** undertaken by the Health Board's auditors continued to raise issues about plans and planning capacity from 2017 onwards. The Health Board's risk register also included the risk of failure to deliver plans effectively owing to the limited capacity in the Planning Team. In January 2023 the level for this risk was increased to 'high'.

c. In 2019 **KPMG** was commissioned by Welsh Government to review the financial aspects of the Health Board and a large number of recommendations were made. Many of these have a planning dimension. In a recent update on progress, the Health Board's self assessment showed that a significant number were red or amber. This report forms a key tracking tool between the Health Board and Welsh Government via the Finance Delivery Unit.

d. In 2021 the Health Board undertook a **discovery exercise** and had asked staff for feedback on their experience in the pandemic response. A report was produced summarising a broad range of areas on which staff had commented, including that they had appreciated the autonomy to make decisions during the pandemic and also the shorter planning horizon. A perception of a reduction in bureaucracy was noted as well as the wish for this to continue going forward. Several interviewees mentioned the value of the exercise and that it had produced a particularly important report.

Section 2: PLANNING CAPACITY AND CAPABILITY

20. When the former Director of Planning, Performance and Commissioning left in October 2020, the post which replaced it covered strategy and planning (the Executive Director of Strategy and Operational Planning - in January 2023 this role was renamed as Executive Director of Strategy and Planning and this title is used hereafter). Independent members of the Board said that the appointment had been a significant step. The chair of the Strategic Development and Operational Delivery (SDOD) Committee commented that, probably for the first time, the Health Board had a strategic planner at a director level and the Board was hugely supportive of the changes being made so far.[2]

21. The Executive Director of Strategy and Operational Planning joined in April 2021 and a new directorate had been formed with the main functions being: capital planning, supporting transformation and corporate planning. At the time of the review, the commissioning function had been added recently thereby doubling the planning function (two people – see table below). Without prompting, executive colleagues and board members were complimentary of the Director, particularly in terms of the clarity of thinking around the strategy implementation process.

22. Working to the Director of Strategy and Operational Planning are three teams:[3]

[2] The SDOD Committee oversees the implementation of strategic plans, including oversight of the IMTP/Annual Plan

[3] A small number of clinical leads are included in the Directorate's organogram. These roles support and advise the transformation programmes.

Executive Director of Strategy and Operational Planning		
Strategic Programme Director (vacant)		Deputy Director of Operational Planning and Commissioning
Capital	*Transformation*	*Planning & Commissioning*
Assistant Director, Strategic Planning and Developments Head of Capital Planning	Head of Engagement and & Transformation Programme Office	Head of Planning
Programme and project managers – 5	Programme and project managers - 16	Senior Planning Manager Head of Strategic Commissioning
Support - 4	Support - 6	
Headcount: 11	**23**	**4**

- **Capital** - responsible for planning and managing all capital schemes in the Health Board

- **Transformation** – (previously referred to as the Programme Management Office/PMO) supports executive directors on major transformational programmes

- **Planning** & **Commissioning** – led by a Deputy Director, this team is primarily involved in all aspects of corporate planning and in developing the IMTP and reporting on progress. The team also manages the Health Board's commissioning function.[4]

[4] In January 2023 the Planning Team was merged with the Commissioning Team

23. The breadth of skill and experience across the teams was reported as very good, with work beginning to blend across teams The aim was for the teams to help operational and service planning, thereby improving the quality and consistency of the plans coming through into the IMTP process. It is anticipated that the operational teams would welcome this support. It was reported that the aim was for effective planning to become a habit, currently it was a key deficiency across the Health Board. Some areas were very well planned, but largely, planning was at the broad outline level and “once you dig deeper, it starts to unravel”. This was largely attributed to a lack of operational planning capability in the organisation. The Planning and Commissioning Team would be able to help, but they were largely taken up with the IMTP requirements, though this was changing as a result of expanding the team.

24. In terms of the IMTP process, it was reported that the way in which plans had been developed over the years had resulted in planning as an activity being under-valued. This needed to change so that planning was seen as an important part of delivering the strategy not just an annual cycle. It was reported that the Health Board was working on developing a strategy implementation plan as well as mapping out who was doing what in order to identify more easily duplications and connections.

25. The four members of the Planning and Commissioning Team were interviewed separately. They were four individuals with significant experience across planning, project management and commissioning. As the planning and commissioning elements were brought together quite recently, the review has focused on the two members who have been involved in the IMTP process for several years. They had undertaken the Welsh Government/NHS Wales postgraduate diploma in planning.

26. It emerged that there was a perception that previous resources available to corporate planning and the IMTP had diminished as a result of the development of the strategy, the pandemic and changes in leadership (paragraphs 14-15). There was a collective sense that ideas to develop planning in the Health Board, especially to support operational teams, were unlikely to be realised because more resource would be needed. The recent increase in the team was welcomed and was showing positive results, though the commissioning function still needed to be carried out within the team.

27. The experience of the Planning and Commissioning Team in terms of planning capability elsewhere in the organisation was reported as being variable. During the pandemic, planning had been very good. Currently there were also some excellent projects and programmes that could be exemplars, for instance, Planned Care and the workforce plans. Largely though, it was reported that operational teams had little planning support; being very busy with day to day challenges made it difficult to take time out to plan.

28. It was reported that operational teams had support from finance and workforce practitioners using a business partnering model. This did not include planning. The Planning and Commissioning Team and others interviewed as part of this review, thought that this would be worth exploring as it would support operational teams and improve planning more generally. Alternatively, it was also suggested that operational teams could be helped if there was a liaison role which had access to a pool of skilled planning resources.

29. Other comments received included the possibility that the role of the Planning and Commissioning Team was unclear to frontline services or perhaps frontline staff did not know who to ask for help when faced with a planning problem. As planning was largely associated with the annual IMTP process, it was not perceived as a continuous activity that would help to solve problems. It was disappointing to learn that the Planning and Commissioning Team reported receiving openly dismissive attitudes about planning from some staff.

30. To improve planning, the Planning and Commissioning Team thought there needed to be more team working, possibly the Planning and Commissioning Team could support that by getting out and helping people. In terms of spreading good practice, the Planning and Commissioning Team was not aware of systems and processes to do this for planning. A lessons learned report had been started after the last planning round, but nothing had happened despite having secured feedback from staff. I saw a draft of the document and was impressed that it had been started and feedback was being thought through. It was reported that projects were launched but sometimes lost momentum; very often, insufficient attention was given at the outset to what information needed to be collected to prove the results of the change.

31. From the comments received by the Planning and Commissioning Team and supported by other interviewees, the main activity of the Planning and Commissioning Team during the IMTP was to provide the narrative. They said that, while this was fairly simple if a supporting plan existed, this was not always the case. It was reported that sometimes, the team was just "involved in stuff" whereas other teams in the directorate were connected to programmes and plans that related to the strategic agenda. Another comment was that, in terms of capacity, having a small Planning and Commissioning Team in comparison to other teams involved in change, gave the impression that planning was not important.

32. Individuals interviewed considered that good plans and planning were pre-requisites for successful organisations. In the Health Board, planning seemed to involve a lot of form filling and this needed to change - the narrative supporting plans though was often very good. It was reported that the aim was to demonstrate the value of the corporate Planning and Commissioning Team in helping to improve planning across the Health Board. Key steps going forward were to: focus on the results expected from implementing a plan; being clear on the aim of the plan; and improving delivery - currently this was poor. The need for basic data modelling was apparent as was scenario planning and more data analysis.

33. Interviewees considered that operational teams felt they did not have the skills to plan and a business partnering role could assist in providing neutral advice. Operational managers, supported by finance, workforce and planning business partners could be an effective model in delivering the Health Board's current and future change agenda.

34. They considered that short term planning was reasonable in the Health Board but longer term projects were not always clear. A bridge was needed between short term and long term planning so that the Health Board could be confident about its whole portfolio of change which they thought should be managed by the Planning and Commissioning Team and which also provided outreach support to managers. Upskilling operational managers in analytics, project management and planning for results and delivery was also considered to be essential.

35. One interviewee described the Health Board's planning - at one time - being product-driven, mechanistic and not collaborative. This approach appeared to have been tolerated largely because it seemed to be the way that services could access investment. Different plans would deal with challenges in different ways leading to separate plans for 'thematic' issues such as unscheduled care. It was reported that this had changed and improved; there was now greater ownership of the IMTP at the senior level. The Planned Care programme was a good example of effective planning and delivery. Key inputs were demand and capacity modelling as well as robust workforce data. Just recently they had been able to triangulate workforce, finance and outcomes on a specific area. It was further reported that ways of working needed to be adopted systematically across the Health Board and more rigorous planning was needed, for example using data and modelling within operational planning.

36. It was reported that the Planning and Commissioning Team was very small for the size and scale of the organisation. Several interviewees commented on operational managers and whether they had sufficient planning skill. It was reported that it was difficult for operational managers to engage in corporate planning especially when day to day operations were so challenging. They had reasonable planning skills: some were traditional short term problem solvers while others could plan more broadly and over the longer term. They needed support and this could come from a corporate function, though operational managers would view that as more investment in the centre. It was reported that there was a range of other support around: the Programme Management Office and service improvement practitioners. A number of interviewees mentioned the possibility that the Health Board had the bedrock of planning skills it required; these needed to be pulled together. Others supported this and considered that planning needed to be a routine activity and not an annual event. They said that many people had undergone quality improvement training and carried out project work. Workforce, financial and capital planning expertise was also mentioned as well as those working on value-based health care.

37. Other interviewees mentioned a range of relatively new areas that could impact positively on planning capability in the Health Board. These included: the Improving Together process which reviewed key service plans on a quarterly basis. Although largely a performance device, the

process had a learning/coaching element and interviewees considered that it could develop opportunities to improve plans through the use of data, sharing good practice and unblocking problems affecting progress. Other areas for improving capability included: making data more easily accessible to support planning and improvement.

38. Some interviewees took a broad view of change and considered that the Health Board needed to look at its planning skills and assets across the organisation. Flexibility was needed to mobilise people quickly into temporary planning roles, possibly for a short period only, or maybe simply to support a key part of the planning process with their particular skill set. It was reported that often the default position was that any new project had to start with the recruitment of a project manager. This was not a viable approach and new, innovative ways of supporting effective change were needed. A key step was to leverage benefits from the investment in the change agents that the Health Board had made already.

39. Members of the Executive Team who were interviewed considered that planning had improved across the Health Board. The local pandemic response had demonstrated staff had worked effectively when they were empowered to do so and could get on with things at pace. They felt that external feedback and the Discovery Report had demonstrated this. In contrast they commented that the way in which the Health Board had produced the Annual Plan in the past had been ineffective. In light of this and also the pandemic experience (paragraph 18), they had decided to strengthen the planning function. This had started with the appointment of the Director of Strategy and Operational Planning with whom the Executive Team worked very closely and supported the ideas on change. The Executive Team said they wanted to be in a position where they could access an up to date plan at any time and also be assured that plans reflected the strategic objectives of the Health Board. They acknowledged that staff would need help with planning and not just for the IMTP process, but in a continuous cycle. They thought that an integrated planning business partner approach might be helpful.

Capital Planning

40. In terms of capital planning, there was consensus on the work currently underway to take forward the strategy alongside the Health Board's

capital programme. The strategy is characterised by a significant reconfiguration of services and the estate. Several interviewees remarked that it was probably the biggest planning scheme ever seen in Wales. A Programme Business Case had been developed and agreed and submitted to Welsh Government in February 2022 – approval to proceed to the Outline Business Case (OBC) stage was awaited. In the meantime, the Capital Planning Team was producing a number of other key plans as well as a Strategic Outline Case which is part of the business case methodology – more OBCs were anticipated in the short term. A consultation was underway on possible sites for a new hospital which was central to the strategy. It was estimated that the Health Board would be in a position to review the results of the consultation and also an external review of the proposed clinical model in August 2023, though some slippage was foreseen.

41. In discussion with various interviewees, it was considered important for the Health Board to set out how it would organise itself to be able to develop and deliver several OBCs which needed to be based on effective engagement and planning with clinicians and managers about the future. It was reported that work had started on developing new pathways and the Transformation Team was working through detailed demand and capacity information. This was helpful, but looking ahead, it was reported that there needed to be a "massive uplift" in clinical and operational leadership as well as programme management capacity to plan and support the changes.

42. Turning to capital planning processes in the Health Board, the Capital Planning Team's senior management considered the processes to be good. They worked with operational managers on capital schemes within the scope of wider change projects. It was reported that the team also work closely with Welsh Government and the NHS Wales Shared Services Partnership.

43. Governance-wise, it was reported that the capital programme was overseen by a group and also by a Board committee. It was audited on a regular basis and for the programme Business Case, the Welsh Government's Gateway Review process had been used and the feedback acted on. (An amber assessment was delivered by the Gateway reviewers). It was reported that the relationship with Welsh Government was open and helpful. On occasion there were frustrations, but

interviewees thought that, it in general it was good and it was hoped that Welsh Government saw the Health Board as “playing a straight bat”.

44. It was explained that relevant aspects of capital planning were included in the IMTP and the Capital Planning Team would provide information for the IMTP process as required. Inevitably, plans changed and the progress of some capital schemes slipped as a result of an unforeseen event. It was reported that the processes operating in the capital planning function were systematic and transparent, which helped when these circumstances arose.

45. A member of the Executive Team said that the Capital Planning Team was experienced and they had the right resource at the moment. This would probably need to increase if the Programme Business Case was approved. The planning and delivery of capital projects was good and the team had the skills to perform well. In response to an example of a project that had not met its deadlines, they thought this was largely the result of having to work within very tight deadlines. The results of the project had still been delivered very quickly, albeit with unforeseen problems with the contractor. There had been other problems with another hospital project. They acknowledged that, when bidding for major capital investment such as in the strategy, Welsh Government needed to be confident about the Health Board’s ability to deliver capital schemes.

46. It was reported that the way in which the Directorate of Strategy and Planning operated, work was underway to assess how the various teams might work more closely. There were areas where the teams collaborated already and this was helped by being co-located. As the work on the strategy was integral to the Capital Planning Team, there would need to be a big increase in capital expertise and programme management to support the plans going forward.

Section 3: ANNUAL PLAN DECISION-MAKING

External Feedback on Planning and IMTP Processes

47. The aforementioned external scrutineers (paragraph 19) have commented specifically on planning and project management over several years. Audit Wales in their latest assessment for 2022 stated that the Health Board's governance was good at the corporate level, with a clear strategic vision, improving systems of governance and a strong focus on staff and patients. Even so, the Health Board has been unable to produce an approved IMTP. Further, the assessment found that: "*… There are robust processes for monitoring and scrutinising delivery of the Health Board's strategic and operational plans… Steps are being taken to refine planning objectives which will allow a greater focus on expected outcomes, but implementation plans for underpinning strategies are not always visible or robust*."

48. The Structured Assessment 2022 also noted that not all planning objectives had an expected outcome and recommended that this should be addressed. Similarly, the assessment found that corporate enabling strategies did not always exist or include clear milestones, targets and outcomes.[5] Digital and workforce strategies were mentioned as being recorded through corporate updates as being on track, but there was no single tracking document for each strategy. For other strategies and plans, updates were provided to committees, but some lacked clear milestones, targets and outcomes.

49. In terms of the IMTP process for 2022-25, the Structured Assessment 2022 made several observations relevant to this peer review, namely that:

    - a three-year plan had been submitted in March 2022 but this was not approved and the Health Board was asked for an Annual Plan for 2022-23 by July. This was achieved though the financial position had deteriorated in the interim. The Annual Plan was not approved

[5] Structured Assessment 2022 Issued January 2023 – Recommendations R4 and R5

- feedback was provided by Welsh Government, particularly in terms of describing deliverables more clearly

- the assessment found that the Health Board had robust arrangements for ensuring plans were aligned, embedding valued based healthcare, and ensuring appropriate stakeholder involvement. Some service changes had been successful owing to the adoption of the value-based healthcare approach.

50. The structured assessment covered recommendations from the previous year, noting that planners were not involved in all planning processes and relied on others to ensure the alignment of plans. The Health Board referenced recent increased capacity to address this. A further recommendation was the adoption of business partnering to support the development of plans (which had worked well during the pandemic) and asked the Health Board to review its planning capacity. The Health Board reported making some changes and said that further capacity was dependent on the outcome of the Programme Business Case. Two further recommendations focussed on tracking and monitoring of the Annual Plan – the Health Board reported these as being complete.[6]

51. In undertaking this peer review, a brief description has been included about how the IMTP/Annual Plan process operated up to 2020 and how the Chief Executive used the opportunity of the pandemic response to reassess corporate planning, specifically in terms of refining and aligning short term objectives with the longer term strategic goals. The structured assessments have also provided a significant amount of information about the IMTP process and planning since 2020 and much of this was confirmed by interviewees for this review. Therefore, this section will focus on the how the current annual plan for 2022-23 has been monitored and it will also focus on the arrangements for developing the Annual Plan for next year. By looking at how each part of the process is governed, it is possible to see how decisions are made at key milestones in the life-cycle of the current plan.

52. In September 2022, the Director General wrote to the Health Board advising that the Annual Plan for 2022-23 was not approved. The letter

[6] Structured Assessment 2021 issued June 2021 R1-4

reaffirmed the need to focus on Ministerial Priorities around urgent and emergency care, planned care, primary care and mental health. Planning Guidance issued by Welsh Government for 2023-27 was more focused in that there are templates for capturing detail on the Ministerial Priorities.

Annual Plan Development and Sign Off

53. This review considered the annual plan for 2022/23 which has 60 planning objectives aligned to the Health Board's six strategic objectives. Interviewees found this largely helpful in making sure that plans were coherent. Relevant planning objectives became personal objectives for executive directors and various committees of the Board were tasked with overseeing a relevant subset of these objectives. Going forward for the 2023/24 plan, the Executive Team described a process of further refinement and collaborative working across the team. This was reported as being likely to result in around 20 planning objectives which meant that priorities would need to be agreed and choices made. The Executive Team was developing the advice to enable these decisions to be taken by the Board by the deadline. In terms of stakeholder engagement, it was reported that this approach had resulted in less engagement with staff.

54. Developing the plan in this way was described as being demanding, with more meetings and discussions taking place. Even so, the work was on track. Those involved described the current process as "rigorous" and "challenging". The executives were "close to the plan" with "clear alignment to the Ministerial Priorities". There was a sense that the plans were more feasible with better data coming through; deliverables were being triangulated against the workforce and financial data. However, there was a consensus that the plan was unlikely to be approved by Welsh Ministers.

55. Those involved in supplying information to the planning process also saw a difference. Some members of the Executive Team commented that for the first time they were able to discuss performance/outputs and outcomes and how this related to the workforce. The Capital Planning Team had supplied up to date information on schemes for inclusion as required.

56. Those involved in collating the information also saw a difference, though there was still a significant amount of information that needed to be chased. In some cases, this was information about plans that were in

operation and therefore should be relatively easy to supply. Nevertheless, it felt like they were dragging the information from people.

57. Board members interviewed as part of the review said they had also noticed a difference in approach and were satisfied that it was appropriate. At the time of writing, the Annual Plan for 2023-24 was nearing completion before being considered by the Board in readiness for submission to Welsh Government on 31 March 2023.

Monitoring the 2022-23 Annual Plan and Change Control

58. Alongside the development of a new plan, the Health Board continued to monitor this year's Annual Plan. The monitoring processes included: oversight by the executive team and various committees of the Board overseeing a relevant subset of planning objectives. The SDOD Committee looked at the whole plan as did the Board: formally at meetings and less formally, but more deeply, at Board seminars.

59. Board members reported satisfaction with the arrangements, citing the regularity of discussion and the helpful interpretations from executives as strong evidence that the plan was a living document. In terms of monitoring progress, the current T arrangements enabled a good grip on what was going on, what changes were planned, and how these changes were performing. Alongside update reports, the Health Board had a digital dashboard which included progress against the strategic objectives. The Board Assurance Framework was also considered to be a powerful and sophisticated tool which provided further views on progress.

60. It was reported that all changes to planning objectives were reported to the Board via the committees and also in the Chief Executive's report to the Board. An audit trail of changes was maintained by the Head of Planning and the Assistant Director of Assurance and Risk. In terms of managing slippage, it was reported that it was variable whether actions which did not meet a year-end deadline were taken forward into a new plan for the next year. There might be a good reason for this - in a complex organisation, plans could become out of date very quickly which was why a focus on results and outcomes was important.

61. I saw an update to the Board on the current (unapproved) Annual Plan which extracted in tabular form, progress on 11 actions due for completion in Quarter 3. The majority were reported as 'on track' and two were encountering slippage with a revised date being recorded as Quarter 4; one plan which was behind, had no revised plan and was recorded as 'TBC'. I also saw the quarterly progress report (February 2023) for the SDOD Committee which oversees the majority of the Health Board's planning objectives. This summary focussed on a broader timeframe – up to 2025. Again in tabular form, there was a variation in style with some areas providing detail on progress with dates and deadlines, whereas others were quite vague, simply recounting processes and activity. Where there was a report of actual or projected slippage, this did not always lead to a revised timetable.

Section 4: CONCLUSIONS

Planning in a challenging environment

62. Notwithstanding the terms of reference (paragraph 2) the review has sought to answer why the Health Board is in targeted intervention for planning. On reflecting on the comments from interviewees, there was a strong sense of the perceived intractability of problems facing the Health Board and only by implementing the strategy will health and healthcare be transformed across mid and west Wales. This may explain why the IMTP process in the Health Board, which year-on-year has become a requirement for an Annual Plan, appears to be a marginalised and fairly dry process that leaves many frustrated.

63. The scope of the review did not include an assessment of the merits of the strategy. However, even the small snapshot I obtained from interviews with the Health Board leadership gave the strong impression that the strategy was the only option. Planning in a complex system would suggest that alongside the strategy, it would be prudent to consider (a) contingency planning in case the business case is not approved; and (b) learning from other health bodies facing similar challenges using risk stratification, service recongifuration and workforce transformation.

Planning Capacity and Capabilty

64. Is the Health Board in targeted intervention for planning because it does not have the skills or people to plan and deliver its change agenda? The Health Board does not have a planning system but uses the IMTP process to collate information about plans and has a comprehensive assurance process to track and report on it. There appeared to be little quality assurance of the pipeline of planning information coming into the IMTP process. The relatively small Planning and Commissioning Team provided the first and last line of defence on this and they were largely involved in refining narrative.

65. There was a groundswell of opinion that operational managers/teams did not have the capacity or capability to plan well. Day to day challenges of running services did not leave time for this. While there were some pockets of good practice, this was not commonplace and no infrastructure was available to disseminate it. There was a recognition that help was needed for operational teams and a planning business partnering model might be valuable but this would mean investment.

66. Interestingly, the table in section 22 would suggest a reasonable resource for planning change. From the interviews, it also appears that there has also been investment in other change-related skills such as quality improvement, service improvement, value-based healthcare – these are specialised approaches, but are largely associated with making change happen. These resources might provide an integrated approach for planning and delivering change if a broader view of planning and delivering change was considered.

67. In terms of the Planning and Commissioning Team, there has been a lot of disruption and change for several years, not least during the pandemic. The focus on developing new ways of working in the directorate were clearly welcomed by the team. It was evident that the Planning and Commissioning Team saw a valuable role in helping people plan, especially those busy colleagues at the front line. The planning business partner model had widespread support and will need careful and sensitive consideration.

68. Alongside this, there will always be a need for an organisation to understand and report on its plans in totality and from a range of

perspectives. Using the expertise in a dedicated Planning and Commissioning Team to provide analysis of the totality of the plan is an essential component of in-year monitoring. Being able to assess the impact of proposed changes on the whole plan is important as is being able to highlight interdependencies and provide objective analysis. I did not see this coming through the reporting arrangements. This means that the Health Board should determine what role it wants for the Planning and Commissioning Team and why; and whether there are sufficient skilled people to carry it out.

Importance of the IMTP

69. Is the Health Board failing to understand the importance of the IMTP and their dependence on robust plans which meet quality standards set by the organisation? There are three points to raise:

a) First, interviewees were not asked directly whether they thought the IMTP process was important. It would have been a leading question and yielded very little. What was striking was that few interviewees described how the Health Board tried to meet Welsh Government's expectations around detail, Ministerial Priorities and demonstrating feasibility through triangulation of plans, finance and workforce information. The failure to grasp or deliver this level of detail is part of the reason for targeted intervention on planning. Moreover, the IMTP process was never intended to be the planning system for an organisation – it is an important assurance device which is expected to be derived from the organisation's contemporaneous planning system.

b) Second, not everything that an organisation wants to track or change is included in the IMTP - but it needs to be captured and monitored somewhere. This assurance aspect of the IMTP is very important. It is built on the premise that 'behind' each line of text, there exists an actual plan that is being delivered. It is a cornerstone of the IMTP process. The review heard that this could not be assured in the Health Board's approach to the Annual Plan.

c) Finally, the IMTP process was designed to be a medium term planning tool. Year one plans will be much more defined than subsequent years. Actions that fall outside of the IMTP planning period (longer

term plans) are expected to be included so that the route from year one to the end of the plan is visible. The review heard that this did not always happen in the Health Board's plan. Sometimes there was also a lack of continuity between one annual plan and another. The review also heard that in the past, the Annual Plan had been interpreted as a means to secure investment. Contributors tolerated the system in order to try to secure some additional funding. If the local planning system 're-sets' every year, it is likely that any contributor the Annual Plan process will be tempted to provide a new, positive version of the coming year's activities.

Planning and the Strategy

70. Is the attention of the Health Board's leadership distracted away from the Annual Plan by the strategy? It was evident from documents and discussions that the strategy is a live subject in the Health Board. A governance structure is in place with various groups in operation. It was reported that clinicians were becoming engaged in developing new models and pathways; thinking was emerging on the steps that would be needed to take forward the strategy in a practical sense. The perceived criticality of the approval for the Programme Business Case was evident and the impending external review of the clinical model will also feature strongly in coming months.

71. The Capital Planning Team was heavily invested in developing the products needed by the programme business case methodology to secure funding for future capital schemes required by the strategy. Interestingly, a number of interviewees commented on a perceived need to maintain services as they are until a new hospital is built. An appendix in the Programme Business Case from the Community Health Council illustrated a depth of feeling across communities about this. This suggested that the public appetite for change might be limited and present a real constraint for Health Board planning.

72. There was a strong consensus in terms of the need to have clear sight of a plan to take the strategy forward. An aspect of this was the change management support needed to take this forward and all interviewees recognised that this was substantial in terms of planning, management and delivery of change. Some of these resources would be embedded in

other parts of the organisation, while others would need to be in the 'engine room' to support the changes.

Summary

73. My sense is that all of the above are relevant factors in the Health Board's situation with regard to targeted intervention for planning. A common thread running through each factor was the need to produce quality plans. It was not evident that the Health Board had ever set out clearly the standards which plans need to reach. The value of doing so is evident when faced with making decisions and prioritising plans - it is the same rationale underpinning the five case model that operates at the national level for capital plans. Setting standards for plans is not about issuing a directive, it means a commitment to the activity of planning which is the drumbeat at the heart of all effective change. Without a visible and ongoing support for good planning across the Health Board, there is a danger that it beomes a super-specialised activity which can only be undertaken by an elite. One interviewee commented that the IMTP process had become "scary". The Health Board needs to assess whether this is a widespread perception that is potentially a barrier for staff in becoming involved in developing and delivering change.

74. There is a need to ensure clarity on the requirements of the Annual Plan, paricularly in terms of the foundation for it. All plans arising from complex organisations are connected and have interdependencies. The Health Board needs to be looking carefully at these, especially if there is slippage in one area which might affect another. This is difficult to see in reports with large tabular appendices. Similarly, most activities in the Annual Plan are sufficiently important to be part of a longer process extending over several years. Year one creates the baseline for all future work and is why the Annual Plan is important. It is the baseline from which future progress is often determined. In the context of planning in the Health Board, recognising the challenges being faced, an effective planning system is critical and needs to ensure that: immediate plans, medium term and longer term plans are conjoined.

75. Planning is often characterised as trying to control the future. If a difficult path to a long term future is envisioned, grasping the nettle in the short

term is a key part of that journey. It signals to internal and external stakeholders that changes are going to happen and that they are starting immediately. Furthermore, planning and delivering short term steps needed in the first year – however modest - builds delivery confidence for the future. Building in a requirement for reflection and lessons learned can mean that innovation and good practice are adopted at pace.

76. The common thread running through this process is the importance of effective and proportionate planning. This is more than collating or developing narratives from a diverse range of material. Rather, it is characterised by empowering staff to improve, change or innovate. It is where they feel confident that they will be supported to plan effectively. It is where plans are results based with clear outcomes; and where planning is seen as a solution not a problem to be endured. Finally, the appetite for good planning needs to be strongest at the executive and Board level. Setting out how change is expected to be developed, managed and delivered is one aspect. It also needs consideration of how the whole change agenda will be controlled. This is where an organisational view of the change portfolio needs to be available. It needs to deliver information from a range of perspectives. This important insight into how the future is expected to unfold (based on actual plans – not multiple narratives) will be a key plank of success. This is not just a dashboard.

77. The Health Board has a pressing need to think through its short, medium term and long term steps and develop proportionate and feasible plans to achieve these. It needs standards for plans that will provide assurance they are fit for purpose whether it is a small departmental improvement process, a culture change, a savings plan or a major build. While the range of plans can be varied, there are common aspects that need to be embedded in each one. Ensuring that these essential elements are embedded in plans that will make a difference, is an important aspect of building the foundations for future change. This does not necessarily mean a bigger programme management office or making everything a project or distributing planning software.

78. All plans change. One interviewee commented that it seemed as though plans for the IMTP were written at a point in time and were fixed. Effective and frictionless change control is a key indicator of whether an

organisation's portfolio is 'live' and responsive pressures and/or opportunities. Those scrutinising plans need to understand how plans are changed and the impact on the delivery of strategic objectives. It would be wholly appropriate to introduce and require effective and proportionate change control across the organisation which is tackling severe financial pressures.

79. Understanding the costs of change is a key aspect of effective, smart planning. In the KPMG review, under the theme Capacity and Capability: Culture and Leadership, it was indicated that as well as major projects, the organisation had around 100 smaller projects running at any one time. Using this as a yardstick, the Health Board should be interested in the cost and effort of making these changes. The benefits of this approach are not rehearsed here, but it is a recognised practice within the profession of project management. It assists in decision-making about projects and programmes – often before they start. Moreover, it is my experience that when organisations are interested in the cost and effort of change, those involved at the coalface have a powerful mechanism to triangulate progress in more ways that simply tracking the achievement of deadlines.

80. The following paragraphs suggest a way which might inform the Health Board's thinking. Before that, I wanted to comment on the feedback from external bodies on the Health Board's plans and planning. None of the themes in my review are new, they have been raised in some form or other in structured assessment, the KPMG report and in feedback on the IMTP from Welsh Government. Synthesising feedback, including from staff, is an important mirror to hold up, to explore collectively and to act upon.

81. A key step is to recognise that delivering small, medium or large scale change is demanding of time, effort, cost and, often, emotion. Organisations that are successful in bringing about change have recognised that an integrated approach is essential and they take time to create the conditions to enable their staff to address the challenges ahead. The discovery exercise mentioned in paragraph 19d is, I believe, powerful feedback from staff on how they want to move forward and be part of delivering change. From a planning perspective, the Health Board needs to re-introduce planning as a positive activity that is fundamental to solving problems. In acknowledging the value of

planning, as in other professions, there should be common standards that people can use confidently in the knowledge that they are working within the Health Board's expectations. The fundamental aspects are at the core of an integrated planning system that provides a firm foundation for delivering change successfully. To assist, an **integrated planning system** is likely to have the following characteristics:

- planning and managing change effectively at all levels is a collective goal

- planning is valued: time is given over to planning and it is supported effectively through the supply of data, information, skilled facilitation, time

- making progress is more important than tracking it

- those involved in planning and managing change have exposure to as much varied experience as possible – most change programmes have cycles or short bursts of intense planning activity, these are excellent learning opportunities for sharpening skills

- senior leadership is committed to planning as an activity and engages in it, recognising that all plans change and agile change control is important if things are to stay on track

- senior leadership takes time to set out the important common principles and components of plans, such as the need to focus on results and outcomes as well as effective outputs and processes

- feasibility of plans and delivery confidence are pre-requisites before plans are agreed

- securing organisational, functional, operational, programme level and product level 'views' of the change portfolio are co-designed to enable progress checking, bench-marking and forecasting

- the governance structures in the Health Board are utilised effectively and supported in their scrutiny role

- different types of plans and planning are supported appropriately

- effective decision-making around the approval of plans and how changes are handled are proportionate and clear

- external scrutiny about the Health Board's plans is managed effectively – improvements to processes are acted on and adopted quickly

- learning, evaluation and research become hallmarks of the Hywel Dda change management process

- the IMTP process becomes a frictionless by-product of an efficient and effective planning process

82. The aspects set out in the previous paragraph are not an exhaustive list. However there are some key dimensions which need to be integrated, such as, standards, skills, systems and processes, information flows, techniques, methods, learning. They form the basis of a target **operating model for change management**. Basically, a *'how we do things round here, for the next 10-20 years'* from a planning and delivering change perspective. There is an opportunity in Hywel Dda to co-design this. For example, on re-reading the Discovery Report through this lens, there is much that could be offered to staff. All of the areas valued by staff are relevant to establishing effective planning and change management. To assist, an illustrative thinkpiece is at *Appendix 2.*

83. In terms of establishing an operating model for change management, the Health Board is fortunate in having some of these attributes in place already. For instance, there is a range of change agents in different parts of the organisation, such as the Transformation Team or PMO, workforce planners, financial planners, capital planners, service improvement practitioners and staff who have trained in quality improvement methods. It also has an experienced and willing corporate Planning and Commissioning Team. While it is likely that more resource will be needed in the future, it is important to design not only **what** change those resources will be supporting (and when) but **how** the organisation expects that to be carried out, to what standard, the skills expected, and the level of detail. This is an operating model for change management.

84. The Health Board needs to find a way of harnessing and mobilising its change-informed workforce so that it can support the activities going forward. To do this will need communications and engagement as well as an 'offer' on how it will work in practice. As an aside, the commitment to the strategy story was noticeable. The use of story-telling was very powerful. It felt as though time had been taken to really understand the future needs of *Teulu Jones*; the services that will need to wrap around them; as well as what they need to do for themselves.

85. Moving towards a future state of effective change management is similar territory. Many staff in the Health Board will be affected by the change but that will also be involved in delivering it. Time needs to be taken now to understand the type of change activities they will be involved in; the skill levels they are likely to have to employ; and what will be expected of them in terms of performance. Creating authentic story-telling to mobilise the change agents already in Hywel Dda (as well as those yet to come) will be a crucial step in demonstrating the importance being placed on planning.

86. This type of approach also provides excellent two-way feedback if listening is a key objective. Those involved in planning at the front line will tell stories of what it is really like to try to effect change on the ground. In one interview a helpful analogy was used to explain the strategy: various boats were moving across uncertain waters towards a future state that might be unclear or might change. The oars in the boat were the plans that give momentum to the journey. The aspects suggested in my review will mean powering up those oars through needs collective thinking and commitment to an operating model to support change management that is co-designed with staff.

87. There was consensus on the need for support to planning at the operational level. This will need to be unpicked to understand the breadth and scope of changes. There are a number of drivers for change, such as policy, directives, efficiency, safety, productivity, lack of resource and innovation. The planning activity and the resulting plans to support these endeavours will vary in approach and detail, but the basic components need to be observable across them all if the organisation is seeking to harness its effort and energies to achieve its strategic goals.

88. This means that a one-size-fits-all approach is unlikely to be helpful. Some sort of personal approach to helping individuals and groups think well together is generally needed at the outset. The review heard several advocates of the planning business partner model. This could be a game changer, especially if opportunities for all business partners to work together were designed into the operating model. This would avoid providing support in a silo.

89. Planning, change management and project management are highly skilled areas which is a recognised profession. Often, highly technical projects that need specialised methodologies can crowd out what is largely the most valuable commodity for planning - common sense. Many effective changes are taken forward successfully using a common sense approach, supported by a governance process that is simple and delivering products that are fit for purpose. Not every change process needs to be perfect and the Health Board needs to establish an operating model that can accommodate a broad range of plans that are fit for purpose with proportionate governance. The organisation's risk appetite for undertaking change may need to be reviewed from this perspective, for instance, some plans are high risk and can fail. Developing a culture of learning from failure is often a value which organisations espouse; it is likely to be tested first in the area of change.

90. This means that mobilising people to support and deliver change is feasible, especially if they understand the direction of travel; know what is expected from their involvement (the operating model); and have support at key stages. The benefits are that staff involved in helping to plan and deliver change are engaged and invested in it and usually want to do more. They are also excellent role models, attract followers and generate momentum and drive. Designing routes for existing staff to support change could be an early way of improving planning. Spending time on effective story-telling for planning would be a positive step in dispelling some of the negative perceptions about this important function.

91. Notwithstanding the above, some plans will be complex and require specialist skills from many people. The multi-programme scenario envisioned in the strategy is, as more than one interviewee said: "the biggest planning task in Wales". Thinking through what that engine room of change will look like is an important task. It is not for the review to

comment on what this should look like, but a key point raised by most interviewees was the difficulty in recruiting staff. Therefore designing and starting to establish an operating model for change will begin to pull out what needs to be done now to prepare for the implementation of the strategy. Some of that work will need to start in 2023-4 and be included in the Annual Plan.

92. Turning specifically to corporate planning, currently, this is operationalised through the Annual Plan process and is co-ordinated by the Planning and Commissioning Team. In paragraph 81, I outlined the main facets of an effective operating model for change management. These are the inter-related dimensions that need to operate in an agile way if the Health Board's significant portfolio of change is to have momentum and deliver the expected results. A skilled planning function at the corporate level – which understands the business - has a valuable part to play in co-designing and developing this approach, especially in terms of being the 'guardians of the portfolio' on behalf of the executive.

RECOMMENDATIONS

93. In conclusion, it was encouraging to learn of the widespread commitment to the Health Board's comprehensive strategy and also to the senior leadership commitment to strengthening planning. Nevertheless, the review found that the Health Board's planning arrangements were weak and unlikely to be sustainable for the future. This had a knock-on effect when creating the Annual Plan.

94. Therefore, my review has **two key recommendations** for the Health Board, namely to**:**

    a) establish its operating model for managing and delivering change - paragraph 81 provides a blueprint; and to

    b) develop effective means for strengthening and supporting planning by operational teams, ensuring that there are clear pathways for turning strategy into implementation plans. A clear route map for delivering the strategy is needed to support this.

95. Finally, I refer to paragraph 8 of this review which was derived from my understanding of issues raised with me by Welsh Government. Most aspects have been addressed in the body of my report. However, more generally, it seemed to me that there was a mismatched understanding of the planning expectations between the Health Board and Welsh Government officials. The latter had commented to me that they felt the feedback and guidance given to the Health Board were misunderstood or misinterpreted on a regular basis. Health Board interviewees had told me that Welsh Government feedback on the IMTP/Annual Plan was relatively minor or was difficult to understand. This indicated to me that the Health Board was failing to appreciate the significance of the feedback and guidance provided. While I decided not to focus specifically on these aspects in my report, I recommend that the Health Board reviews and strengthens the internal processes for considering and acting on Welsh Government feedback.

Appendix 1

Interviewees

In the IMTP planning cycle, the review was conducted at a very busy time. The input of those involved in the review has been appreciated.

Welsh Government
Planning Director
Deputy Director
Director, Finance Delivery Unit
Deputy Director of Capital and Estates

Hywel Dda University Health Board

Chief Executive
Executive Medical Director/Deputy Chief Executive
Executive Director of Workforce and Organisational Development
Executive Director of Finance
Director of Operations
Executive Director for Strategy and Planning
Deputy Director of Operational Planning and Commissioning **
All members of the Planning / Commissioning Team

Chair the Health Board
Chair of the Strategic Development and Operational Delivery Committee (and Independent Member of the Health Board)
Chair of the Quality, Safety and Experience Assurance Committee (and Independent Member of the Health Board)**

** digital interview

Appendix 2

Discovery Report

Understanding the Staff Experience in Hywel Dda University Health Board during 2020-21 COVID-19 Pandemic.

PURPOSE - to understand the changes and innovations arising from the response to the pandemic – working practices, workforce agility and the use of technology. The information to be used to support the recovery.

METHOD - undertaken by the West Wales Research Innovation and Improvement Hub during April-May 2021. It comprised: 100+ interviews with a broad range of clinical and support staff; 67 staff experience surveys; 65 manager interviews; 70 feedback reports from vaccinators; responses from field hospitals, acute, community and primary care.

Responses themed around leadership, team working, trust and autonomy, impact, safety and support, communications, working environment. Several points were drawn out by the Health Board on what staff had valued. These are set out below with some considerations from a planning perspective.

Valued by Staff: Leaders coming close to the coal face - Change programmes often involve leaders at the coalface of change e.g. in brainstorming sessions. Carefully constructed to create a safe thinking environment provides safe spaces for teams to plan and learn

Valued by staff: feeling appreciated - Change initiatives / processes produce products that can be complimented and referenced in everyday conversations among teams and communications. Good products lend themselves to being shared.

Valued by staff: reduced bureaucracy - Good plans pay attention to the route through which decisions are made. Some 'products' need to go through several levels before agreement. Careful consideration of decision-making routes generates realistic timescales; big decisions are often the milestone (rather than the production of a product); understanding the decision route clarifies whether decisions can be delegated. This can be empowering and reduces bureaucracy.

Valued by staff: team working across disciplines - Good change management has high functioning teams at its heart. Such teams need time to develop and knowing this is helpful to teams who might feel pressure to deliver.

Valued by staff: removing hierarchies - Programmes and projects are often associated with hierarchies. On occasion, a project is established too early in the thinking and planning process. This creates barriers to progress.

Planning is a way of displaying good thinking about how the future could look and the possible sequence of steps to get there. Events such as brainstorming, workshopping, hacks, big room meetings, small think tanks might all play a part. These need to be fluid, non-hierarchical, welcoming, non-judgmental and recognition is given in the moment for great contributions. Facilitation of this kind is a skill that not all project managers possess.

Project management comes into play largely to control the way these steps are then taken forward. It needs a more systematic approach to delivering what has been decided. It is often a mistake to set up a project management structure too soon – this is often only because senior management want assurance that planning is under control.

Valued by staff: achieving a shared goal - the Discovery Report noted that hierarchies were reduced as people got behind a shared goal and found ways of achieving it. This is the same in a planning context, but often the shared goal isn't shared at all or is unclear in terms of benefits or outcomes. Taking time to articulate the shared goal and the rationale for change in a way that creates buy-in is worth doing.

Valued by staff: speeded up decision-making processes - Projects that have a management structure including a board should have some decision-making powers. A clear plan will produce a Decision Log at the outset from which it is possible to identify those areas which can be delegated across the project, leaving only major decisions to organisational governance.

Valued by staff: innovative working was easier - Most change schemes are bringing in something new that did not operate before. Planning in this context is much more likely to follow improvement science methods and be more open ended using techniques such as Plan, Do, Study, Act.

Valued by staff: co production - Planning change and implementing it are usually co-produced activities with task teams being set up and stood down

throughout a change lifecycle. Project management theory firms the importance of end users being involved in the planning and management of change.

Valued by staff: allowing time to rest, reflect and recharge - Change processes such as projects have well-used methods for regular reflection, capturing lessons learned and evaluation. When coupled with effective benefits realisation, they can provide much needed 'fuel' to help those involved to keep going and feel valued. These activities need to be planned at the outset and supported by senior management as valid planning/change management activities.

Valued by staff: effective communication and connectivity / working environment - Good thinking leads to good planning, leads to good communication about proposed changes and what it involves. The learning styles and preferences of the audience are important.

Good planning rarely happens in a meeting format. Physical space for planning needs to be thought through. Similarly, those who become involved in complex planning and sequencing will need software to do this, especially in terms of modelling 'what if' scenarios and where there are inter-dependencies across a portfolio. These are usually apparent in enabling strategies which are supporting multiple projects and undertaking operational duties. Excel is <u>not</u> an effective tool for this purpose.