



PWYLLGOR ADNODDAU CYNALIADWY SUSTAINABLE RESOURCES COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	27 February 2024
TEITL YR ADRODDIAD: TITLE OF REPORT:	Planning Objectives Update
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
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

In light of escalating operational pressures, Hywel Dda University Health Board's (HDdUHB) financial forecast has notably deteriorated. The revised Annual Plan, last amended on 31 May 2023, initially projected a planned deficit of £112.9 million. Subsequent to this submission, there has been a discernible escalation within the in-year expenditure, necessitating immediate and robust managerial and clinical intervention.

Given the gravity of this financial forecast, an exhaustive review has been initiated to scrutinise the feasibility of meeting our Planning Objectives (POs). Concurrently, the Core Delivery Group (CDG) has been mandated to implement substantial management actions aimed at financial rectification. To facilitate this, a dedicated Recovery Team has been constituted. This team assembles a diverse array of expertise, drawing from multiple directorates across the Health Board, to provide a multidisciplinary approach to the challenges at hand.

Furthermore, the Welsh Government (WG) has augmented the financial rectification criteria since the Recovery Team's inception. Specifically, an additional 10% reduction, equivalent to £11.3 million, has been imposed on the initially planned deficit of £112.9 million. This amplifies the financial objectives for the Health Board, thereby accentuating the urgency for efficacious corrective measures.

This document offers an updated perspective, subsequent to this financial assessment. Certain POs have been identified for continuation, amendment, or deferral in the 2023/24 timeframe, as dictated by the exigencies of our financial standing.

Similar to the approach adopted by the Core Delivery Group (CDG) and the dedicated Recovery Team, the Executive's review is aimed at reconciling our POs with the imperative for immediate and rigorous financial corrective action. This aligns with the WG's revised financial rectification criteria, which have further intensified the need for swift and effective remedial steps.

Cefndir / Background

The POs are the bedrock our Annual Plan for 2023/24, and this report is presented as an update to demonstrate where progress has been made in delivering those Planning Objectives aligned to SRC.

The taking forward of the POs must also be seen within the context that HDdUHB is currently working within. In light of escalating operational pressures, the Health Board's financial forecast has notably deteriorated. The revised Annual Plan, last amended on 31st May 2023, initially projected a planned deficit of £112.9 million. Subsequent to this submission, there has been a discernible escalation within the in-year expenditure, necessitating immediate and robust managerial and clinical intervention.

In response to deteriorating financial conditions and mounting operational strains, the Executive Team has undertaken a meticulous evaluation of the 23 POs for 2023/24 set forth by HDdUHB. These objectives, integral to our Annual Plan, elucidate both our long-term aspirations and specific, quantifiable targets for the ensuing three-year period.

The review of the POs was taken to the September 2023 Public Board along with the approach being taken to bring our Annual Plan into line financially and where we are against the trajectories set out.

Asesiad / Assessment

The POs articulated in the Health Boards annual plan for 2023/24 are intrinsically linked to the recovery work necessitated by financial constraints, as they both strive to operationalise recovery and support the Health Board's long-term strategy, "A Healthier Mid and West Wales." For instance, POs focused on recruitment and career progression directly interface with fiscal challenges tied to variable pay. Scenario analyses further contribute to this interconnection, as they offer quantitative frameworks for understanding the resourcing implications of strategic decisions, such as maintaining staff quality whilst being financially sustainable. The outcome of this work has been presented to the Board at its September 2023 meeting (the paper may be accessed here: [Board Paper](#))

In undertaking this evaluation, the table below provides an overview of the decisions regarding the POs aligned to SRC.

Planning Objective	Executive Lead	Current Status
5c Digital Agenda	Director of Finance	On-track
6b Pathways and VBHC	Medical Director	On-track
8a Decarbonisation and Sustainability -	Director of Strategy and Planning	Behind
8b Local Economic and Social Impact	Director of Finance	Not applicable as the Planning Objective has been paused
8c To develop a Board and Welsh Government-approved financial roadmap to return the Health Board to a £25m deficit position.	Director of Finance	Behind

Highlight reports for those Planning Objectives not subject to a deep-dive and as such have separate papers in this Committee meeting are included as an annex document.

The Planning Objectives for 2024/25 have been agreed at Public Board in January 2024, and work will be undertaken to align these to the Committees of the Board for on-going assurance. For noting these are: -

- PO 1: Workforce stabilisation
- PO 2: Financial recovery and roadmap
- PO 3: Transforming urgent and emergency care
- PO 4: Planned care (incl. cancer, diagnostics and therapies performance)
- PO 5: Mental health and CAHMS
- PO 6: Clinical services plan
- PO 7: Primary care and community strategic plan
- PO 8: A Healthier Mid and West Wales infrastructure
- PO 9: Digital strategic plan
- PO 10: Population Health (including the social model for health and wellbeing)

These will be further refined over the coming weeks, to include the specific intentions and key deliverables for each PO, and will be included in the Plan for 2024/25.

Argymhelliad / Recommendation

The Committee is asked to receive assurance on the current position in regard to the progress of the Planning Objectives aligned to the Sustainable Resources Committee, in order to assure the Board where Planning Objectives are progressing and are on target, and to raise any concerns where Planning Objectives are identified as behind in their status and/or not achieving against their key deliverables.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	2.2 To receive an assurance on delivery against all relevant Planning Objectives falling in the main under Strategic Objective 6 Sustainable Use of Resources (See Appendix 1), in accordance with the Board approved timescales, as set out in HDdUHB's Annual Plan.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply

Amcanion Strategol y BIP: UHB Strategic Objectives:	5. Safe sustainable, accessible and kind care 6. Sustainable use of resources
Amcanion Cynllunio Planning Objectives	8a Decarbonisation & Sustainability 6b Pathways and Value Based Healthcare 8c Financial Roadmap 5c Digital Strategy
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:	3 Year Plan and Annual Plan Decisions made by the Board since 2017-18 Recent <i>Discover</i> report, published in July 2020 Gold Command requirements for COVID-19 Input from the Executive Team Report presented to Public Board in September 2020
Rhestr Termiau: Glossary of Terms:	Explanation of terms is included within the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Adnoddau Cynaliadwy: Parties / Committees consulted prior to Sustainable Resources Committee:	Public Board Executive Team

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Any financial impacts and considerations are identified in the report
Ansawdd / Gofal Claf: Quality / Patient Care:	Any issues are identified in the report
Gweithlu: Workforce:	Any issues are identified in the report
Risg: Risk:	Consideration and focus on risk is inherent within the report. A sound system of internal control helps to ensure any risks are identified, assessed and managed.
Cyfreithiol: Legal:	Any issues are identified in the report
Enw Da: Reputational:	Any issues are identified in the report
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb:	Not applicable

Equality:	
-----------	--

Planning Objective: 5C – Digital Agenda	Executive Lead: Huw Thomas, Director of Finance
---	---

Reporting Period: February 2024

Overall status: On-track
Rationale for overall status: Following the approval of the Strategic and management Case by the Board in November 2023, a draft specification is in development ready to be released to the market in late February 2024 as per the project plan

Progress against planned outcomes / trajectories / milestones (please provide SPC/data charts and an explanation of any variances):
The planned outcome of this work is to award a 10-year strategic partner to enable the digital transformation of the Health Board. There has been a slight delay in development and release of the specification to the market, however following Board approval in November 2023, the programme is back on track.

Activities completed in previous reporting period	Activities planned for next milestone and reporting period
<ul style="list-style-type: none">Supplier Day (31 January 2024) – attended by 28 suppliersDraft Pre-Qualification Questionnaire (PQQ) has been developed, ready for release in late February 2024Specification has been developed, and is now being circulated around the Executive Team for comments before being released to the market	<ul style="list-style-type: none">PQQ assessed and scored, reducing the number of companies to 5 who will be asked to supply a full tender.Further reporting to the Sustainable Resources CommitteeTenders received and assessed

Any other Comments
Matters for information: There has been significant interest from the market in becoming a strategic partner for Hywel Dda. Welsh Government are also very positive on the approach and the work undertake to date.

Risks to delivery: None

Any other comments: None

Planning Objective: 8a (Decarbonisation and Sustainability) & 5A (Estates Strategies)	Executive Lead: Lee Davies, Director of Strategy and Planning
---	---

Reporting Period: Autumn and Winter 2023-24

Overall status: **Behind**

Rationale for overall status: A significant lack of funding is inhibiting achievement of the initiatives set out in the Hywel Dda Decarbonisation Delivery Plan. There is also a lack of NHS and Local Health Board structures and systems to enable decarbonisation to be made the priority it truly is.

Progress against planned outcomes / trajectories / milestones (please provide SPC/data charts and an explanation of any variances):
See SRC agenda item from the Digital Task Force Group on the Q3 review/reporting of initiatives’ progress against the agreed targets (Excel Doc) submitted to Welsh Government (WG). We continue to deliver against the initiatives in the plan and identifying funding and/or collaboration because internal/WG funds are not available.

Activities completed in previous reporting period	Activities planned for next milestone and reporting period
1. WG Q3 Quarterly Decarbonisation qualitative reporting return 2. Approval gained from Executive Team, In-Committee Executive Board to proceed with the acquisition of the WG building in Picton Terrace, Carmarthen. Paper prepared for public board to gain approval 25 January 2024. 3. Decarbonisation Programme Audit outcome – overall ‘limited assurance’ given due to significant funding constraints, lack of systems & structure and extremely limited resource. ‘Reasonable assurance’ given for ‘governance’ and ‘monitoring & reporting’. 4. Picton Terrace Acquisition Business case completed and submitted to WG for approval – awaiting outcome (following a few clarification questions). 5. Re:Fit planning/engagement 6. Review of Solar Farm performance (period April – December 2023) - we consumed 33% (134MWh) less electricity and spent £38,200 less on our electricity bills than the previous financial year 7. Picton Terrace Engagement Sessions delivered with Building 14 (Finance Team) and Ystwyth occupants 8. Acquisition of Electric Vehicle (EV) Multi-Person Vehicle at Bronglais Hospital (BGH) to commute staff to the P&R facility, replacing the diesel minibus - delivering financial savings and zero carbon emissions	1.Engagement sessions with staff from Glien House (Workforce & OD only) and Canolfan Dderwen 2. Heat Network Energy Efficiency Scheme delivery of optimisation study @ PPH 3. Free bus travel for all staff travelling to and from GGH on an ‘Electric Bus’ in partnership with TFW, targeting those who live close to the T1 route between Aberystwyth and Carmarthen. We will capture take up of the scheme and report back. 4. Re:Fit Partner Procurement to arrange a new energy performance contract 5. Completion of South Pembrokeshire Canopy Photo-Voltaic Scheme 6. WG Q4 Decarbonisation Quantitative Report 7. WG Annual Decarbonisation Report 8. Annual Plan Ministerial Objectives template – delivery objectives 2024/25 for Estate Rationalisation/Agile Working 9. Capital fund prioritisation form for Picton Terrace 10. Internal audit report scrutiny/feedback/amendments and creation of management actions based on the recommendation 11. Planning/implementation plan for EV charging points

Any other Comments

Matters for information: Electrical infrastructure challenges at some sites prevents full cale implementation of EV charging points – conversations with the national grid will be ongoing to resolve issues on these sites for example, Prince Philip Hospital (PPH).
 NHS Wales Decarbonisation Delivery review is delayed until Q4 2024 – Health Boards will be invited to participate in workshops in March 2024 to inform/influence the review and future design.

Risks to delivery: 1. No funding or over-subscribed funding to deliver the initiatives in the plan and no funds for dedicated resource and no investment strategy that identifies where the money will come from - all initiatives are being delivered over and above current job roles and duties and there is significant competition for any funding that does come available. 2. Exiting all occupants of B14 by August 2024 – break clause extension refused by Carmarthenshire County Council.

Planning Objective: 6b Value Based Healthcare (VBHC)

Executive Lead: Professor Philip Kloer / Mark Henwood

Reporting Period: September 2023 – February 2024

Overall status: On-track

A 2022-2025 Strategy for delivering VBHC was launched in 2022 and contains three interrelated goals. An annual plan is set against the strategy, describing in year actions to deliver the overall goals. The annual plan is on track.

Progress against planned outcomes / trajectories / milestones (please provide SPC/data charts and an explanation of any variances):

In summary, the plan this year is to:

- a) Develop Value-Based Health Care (VBHC) improvement plans and support implementation action in Trauma and Orthopaedics and Cardiology
- b) Capture Patient Reported Outcome Measures (PROMS) in an additional 12 service delivery areas
- c) Procure a new PROMs capture solution
- d) Develop 5 new PROM visualisation dashboards associated resource analysis and service utilisation to support 6 service reviews, including lung cancer, inflammatory bowel disease, asthma and chronic obstructive pulmonary disease
- e) Implement the ‘Rapid Value’ programme, with associated quality and cashable efficiency gains
- f) Deliver practical actions following action learning set, notably in the Fracture Liaison Service, which is supported through the VBHC delivery fund

Activities completed in previous reporting period

- a) National procurement process for new PROM solution completed successfully
- b) Focused engagement with Respiratory services alongside Cardiology and Trauma and Orthopaedics
- c) PROM capture commencement in eight new areas and on target for the end of the financial year
- d) Value delivery fund support for Fracture Liaison Service and Acute Kidney Injury projects
- e) Collaboration with Welsh Value in Health Centre and Digital Health and Care Wales to support roll-out of Welsh Clinical Portal PROM dashboards in lung cancer, heart failure and trauma and Orthopaedics
- f) Validation of VBHC and Rapid Value productivity gains and cost avoidance gains totalling £4.25m
- g) Partnership engagements with Universities, international value systems and industry to leverage Value-driven opportunities to delivering and evaluating services in our Health Board

Activities planned for next milestone and reporting period

- a) Implementation of new PROM platform and migration from existing platform
- b) Revision of goals enabled by enhanced functionality in new PROM solution
- c) Consolidation and translation of productivity gains in Cardiology, Trauma and Orthopaedics and Respiratory services
- d) Refresh of Hywel Dda University Health Board VBHC Strategy beyond 2025
- e) Meaningful collaboration with operational teams to focus VBHC activity in areas likely to support the sustainable cessation of low-value activity
- f) Completion of remaining planned Service Reviews where possible and revision of service engagement and support process to identify value driven service change
- g) Continuation of further Rapid Value Sprints to identify and eliminate waste in the system

Any other Comments

Matters for information: None

Risks to delivery: Captured within DATIX, nothing to be escalated corporately.

Any other comments: None

Planning Objective: 8c Developing Roadmap to Financial Sustainability	Executive Lead: Huw Thomas, Director of Finance
--	--

Reporting Period: Q3 2023-24

Overall status: **Behind plan**
Rationale for overall status Key actions to model the impact of demography and associated key strategic issues leading to increased demand have been completed. Work currently underway to assess the likely level of staffing availability and associated commissioning and training needs. Annual planning process and delays in engaging with clinical leaders has hindered progress.

Progress against planned outcomes / trajectories / milestones:

- Completion of first phase in accordance with timetable – demographic and other demand factors.
- Linkages made to A Healthier Mid and West Wales (AHMWW) modelling, in respect of acute bed, community bed and out of hospital care.
- Work currently underway to model retirement, resignation, retention and recruitment of staff to model likely staff availability over next decade underway.
- Engagement with clinical leaders due to commence mid-February ,3 months later than scheduled, to begin process of developing proposed responses to work undertaken to date.

Activities completed in previous reporting period <ul style="list-style-type: none">• Limited progress in last reporting period• Presentation through Board / Executive seminar to explain progress on modelling of staffing availability in coming decade	Activities planned for next milestone and reporting period <ul style="list-style-type: none">• Develop supply model, incorporating projections for staffing, assets etc for coming decade• Model impact of staffing constraint on various aspects of care provision – for example; general practice, bed capacity, operating theatre capacity and community models• Model impact of wider supply side issues, such as transport, ICT, estates provision and funding• Present and receive feedback on supply model• Develop phase 3 (response to capacity and demand gap)
--	---

Any other Comments
Matters for information: Supply-side modelling dependent on staff availability in Strategic Workforce Planning Team, who are already stretched by the existing workload supporting recovery modelling, and 2024/25 planning activities

Risks to delivery: Small team led by single individual with other demands placed on senior finance leader roles; ability to quality assure plan outputs is therefore constrained

Any other comments: Demands on staff to support various planning activities – 2024/25 plans, clinical services plan, and refresh of AHMWW costing and activity modelling will continue to impact on progress of the development of the roadmap