



## PWYLLGOR CYLLID FINANCE COMMITTEE

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	13 March 2020
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Executive Team Opportunities Framework
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Huw Thomas, Director of Finance
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Huw Thomas, Director of Finance

**Pwrpas yr Adroddiad (dewiswch fel yn addas)  
Purpose of the Report (select as appropriate)**

Ar Gyfer Trafodaeth/For Discussion

### ADRODDIAD SCAA SBAR REPORT

#### Sefyllfa / Situation

Finance Committee has previously discussed the most appropriate means of generating financial and service sustainability opportunities and ensuring these are disseminated and adopted across the Health Board. This has resulted in the creation of an overarching Opportunities Framework that seeks to centralise all ideas relating to opportunities for potential savings and sustainability and create a robust process for their appraisal. The Committee has requested ongoing assurance regarding the process and the outcomes from this approach, and will apply scrutiny and challenge on behalf of the Board to test the viability and benefits of the opportunities proposed.

#### Cefndir / Background

As part of the preparation of the Hywel Dda University Health Board (HDdUHB) 2020/21 plan (including its financial plan), there is a need to identify more sustainable means of providing services to our local population. As part of ongoing improvement efforts, the Opportunity Framework has been created to help generate ideas for consideration across the Health Board.

A range of data sources are used to populate the Framework, including:

- Capita CHKS operational data comparison tools
- NHS Benchmarking Network reports
- Finance Delivery Unit Efficiency Framework
- KPMG suggestions arising from the NHSW-sponsored work to understand our deficit
- Analysis of All-Wales costing returns

The potential opportunities are assessed and filtered by the Value Team within the Finance Directorate to discount opportunities that are already being acted upon, have previously been disseminated or are otherwise highly unlikely to represent a deliverable change across the Health Board. This filtered list is then used to create individual opportunities for assessment by service management teams. The Executive Team have approved a mechanism of “adopt or justify” which reflects the assumption that an opportunity will be embraced and acted upon unless there are compelling reasons not to pursue it.

To date, two key tranches of opportunities have been issued:

- Those deriving from the comparative data contained within the CHKS dataset and relating to technical efficiency improvements, such as increasing the proportion of patients for whom surgery is provided via a day-case pathway rather than via admission, the number of patients admitted on the day of a procedure, etc;
- More recently, suggestions for improving the way that patient needs are met outside a hospital environment through better demand management, improvements in Community Services etc.

### **Asesiad / Assessment**

Further opportunities are continually being identified, catalogued and written-up. However, it is becoming apparent in following this process that the opportunities identified through detailed analysis are relatively small scale, transactional in nature and require a significant amount of effort to deliver modest improvements. Put simply, the Opportunities Framework in its current form is unlikely to deliver the step change in service delivery and financial performance that the Health Board requires.

#### **Alignment with Corporate Objectives**

Clearly, the process requires ongoing improvement if it is to be a valuable part of the overall management approach to sustainability. As a consequence, Finance colleagues have held discussions with the Transformation Strategic Programme Director regarding how to focus financial and activity analysis on those areas most likely to drive significant transformational change. The key areas that the Team will now focus its efforts upon are the key design assumptions adopted as part of the Healthier Mid and West Wales Strategy:

- Reducing the level of emergency admissions for patients with Ambulatory Care-sensitive conditions;
- Reducing length of stay;
- Reducing the number of follow-up Outpatient appointments;
- Reducing overall attendance at A&E and Minor Injuries Unit (MIU), and for remaining attendance, shifting the proportion of patients so that greater use is made of MIU facilities;
- Shifts toward Community Hospital and community settings for Outpatient and Day Case care.

By pursuing identified opportunities that align with these agreed objectives, it is considered more likely that the Framework will help deliver the changes needed for both short term and medium term sustainability. Also, by aligning the Framework to the *Hywel Dda Way* (the adopted programme and project-management approach for the Health Board), greater clarity of responsibilities, decision making and delivery will result.

#### **Adopt or justify**

The approach taken with regard to opportunities and proposed changes is that of “adopt or justify”. This is a requirement on service management either to progress opportunities, or to clearly state why opportunities cannot be pursued, whether temporarily or indefinitely. However, the opportunities that have been presented so far require cross-Health Board work to achieve, and it is very difficult to identify either an individual Director or Manager to take overall ownership of the proposal. This issue will be addressed through the new Project Management oversight arrangements under the *Hywel Dda Way*, which will enable identification and tasking of individuals (at all management levels) to respond to each opportunity identified.

### **Service-Led Ideas for Improvement**

The Committee will recall that at its meeting on 27 January 2020, it was noted that the Framework did not appear to allow for individual service teams to feed in their ideas. In response, a simple form has been created that will allow the capture and work-up of ideas from across the organisation. This form (Appendix 1) is designed to be as simple as possible to minimise bureaucracy and capture the many good ideas that those across the organisation have for improving services and reducing cost. It is being piloted by colleagues in the County teams, where many of the ideas regarding improvements in maintaining people's health and wellbeing closer to home are generated.

### **Planned Care and Unscheduled Care Seminar**

Finally, the Committee may wish to note that a seminar was held on 5 February 2020, attended by a cross-section of senior managers, to identify and capture their views on the most significant opportunities across the Health Board. A number of opportunities and ideas were captured and are being worked up into proposals for further consideration. Clearly, with only limited capacity within Finance Directorate, and without a monopoly on wisdom, more events of this type, including perhaps a wider cross-section of attendees, will help generate ideas from staff of all levels and professional backgrounds regarding how best to manage HDdUHB's financial challenge.

### **Future Work**

Ongoing investigations that are likely to result in opportunities for change include:

- Investment in electronic approaches to data management, especially in Community Services, medical records, etc;
- Examining the impact of multi-site provision of clinical support and other services such as Radiology, Pathology, etc;
- Addressing the issues relating to a redesign of front-door services;
- Theatre improvements;
- Outpatient management.

### **Argymhelliad / Recommendation**

The Committee is invited to comment on the issues raised within this report.

### **Amcanion: (rhaid cwblhau)**

#### **Objectives: (must be completed)**

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	5.5 The Finance Committee will provide assurance, raising appropriate concerns and make recommendations to the Board as a consequence of the Committee's role in relation to short term focus, medium term focus and improving financial management
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply

Amcanion Strategol y BIP: UHB Strategic Objectives:	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners.
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019</a>	10. Not Applicable

### Gwybodaeth Ychwanegol: Further Information:

Ar sail tystiolaeth: Evidence Base:	Various sources as noted in the main text above
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y pwyllgor cyllid: Parties / Committees consulted prior to Finance Committee:	Finance Committee 27.01.2020

### Effaith: (rhaid cwblhau) Impact: (must be completed)

<b>Ariannol / Gwerth am Arian:</b> <b>Financial / Service:</b>	No direct financial consequences, although the work noted aims to improve value for money of the services we deliver
<b>Ansawdd / Gofal Claf:</b> <b>Quality / Patient Care:</b>	Not directly impacted
<b>Gweithlu:</b> <b>Workforce:</b>	Not directly impacted
<b>Risg:</b> <b>Risk:</b>	Not directly impacted
<b>Cyfreithiol:</b> <b>Legal:</b>	Not directly impacted
<b>Enw Da:</b> <b>Reputational:</b>	There is a risk that non-delivery or inadequate delivery of savings and sustainability opportunities will adversely impact both WG and public perceptions of the Health Board. There is mitigation noted in the main text of the report.
<b>Gyfrinachedd:</b> <b>Privacy:</b>	Not directly impacted
<b>Cydraddoldeb:</b> <b>Equality:</b>	Not directly impacted



## Outline Savings Proposal

The outline savings proposal is for you to contribute ideas and suggested savings that may require coordination across more than one area of the health board's responsibilities. If the savings proposal is approved and will be pursued, this outline will need to be converted into a Project Initiation Document in line with the Hywel Dda Way,

### Project Title

### Brief description of the project - max 100 words

### Reference number

### Person submitting and directorate / service area

#### 1 REASONS AND RATIONALE

SUMMARY OF THE REASONS FOR UNDERTAKING THIS PROPOSAL – THERE MAY BE MORE THAN ONE

#### 2 OPTIONS CONSIDERED

A VARIETY OF OPTIONS MAY BE CONSIDERED IN RELATION TO THE PROPOSAL AND SHOULD BE LISTED AND DESCRIBED BRIEFLY HERE – ALWAYS INCLUDE THE DO NOTHING OPTION.

#### 3 LINKAGES ACROSS THE HEALTH BOARD / WITH EXTERNAL PARTNERS

DESCRIBE ANY LINKAGES TO AREAS OUTSIDE YOUR DIRECT CONTROL, LOCAL AUTHORITY, VOLUNTARY ORGS ETC

#### 4 COSTS

IF KNOWN AT THIS STAGE, INDICATE ANY COSTS, STAFF TIME ETC THAT WILL BE CONSUMED. EXCLUDE PROJECT MANAGEMENT OR OTHER RESOURCES NEEDED - JUST INCLUDE NON-RECURRENT OR RECURRENT DIRECT COSTS

#### 5 BENEFITS

BRIEFLY DESCRIBE THE ANTICIPATED BENEFITS OF THE PROPOSAL. IF KNOWN, QUANTIFY THE CASHABLE SAVINGS THAT WILL RESULT; ALTERNATIVELY, DESCRIBE THE QUANTIFIABLE IMPACT ON AVOIDANCE OF ADMISSIONS, BED DAYS SAVED, REDUCTION IN REFERRALS ETC



## 6 TIMESCALES

PROVIDE A GENERAL STATEMENT AS TO THE APPROXIMATE LENGTH OF THE PROJECT AND COMPLETE THE TABLE SHOWING APPROXIMATE MILESTONES (TABLE CONTENTS OFFERED AS GENERAL GUIDANCE). DETAILED TIMESCALES WILL NEED TO BE PROVIDED WHEN THE PROJECT PLAN IS PRODUCED AS PART OF THE PID.

	<b>Start date</b>	<b>Complete date</b>
<i>Pre-project phase</i>		
<i>Submit PID for full project approval (which will include a detailed project timescale)</i>		
<i>Initiate full project</i>		
<i>Benefits realised</i>		