



**CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	24 November 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	Update on Annual Plan 2022/23
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies, Director of Strategic Developments and Operational Planning Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Shaun Ayres, Assistant Director of Commissioning Daniel Warm, Head of Planning Andrew Spratt, Deputy 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

Hywel Dda University Health Board (HDdUHB) submitted draft plans for 2022/23 to Welsh Government in March 2022 and July 2022.

The July 2022 iteration of the Plan noted an end of year financial deficit of £62m, out from £25m in March, which Welsh Government advised is unacceptable.

At the Board meeting in July a series of measures were proposed to review this position and these were reported back to Board in September 2022.

The Health Board has been undertaking a number of activities to review our 2022/23 financial position and to feed into the next Planning Cycle round for 2023/24.

This paper provides Board with a further update on these activities.

Cefndir / Background

The submission of a three year Integrated Medium Term Plan (IMTP) to Welsh Government (WG) is a statutory obligation. However, for an IMTP to be approvable it must show financial balance over the lifecycle of the Plan and, as such, HDdUHB has never previously been in a position to produce an approvable IMTP.

HDdUHB wrote to Welsh Government on 28th February 2022, to provide formal notification through an accountability letter that unfortunately we would not be in a position to submit a financially balanced IMTP by 31st March 2022. Instead, the letter noted that it would be our Board's intention to submit a draft Three-Year Plan 2022/25, with a robust and detailed focus on 2022/23 actions, which we intended would set the foundations for an IMTP to be submitted in the summer. This notification was based on the premise that the Health Board's underlying deficit had worsened over the last two financial years following the gaps in delivery of recurrent

savings in 2020/21 and 2021/22 during the pandemic and, as such, there was insufficient assurance to allow HDdUHB to propose an IMTP for the March 2022 submission.

The Health Board's draft Plan was approved by Board in March 2022 and subsequently submitted to WG on 31 March 2022, noting that a further iteration of the Plan would be submitted in July 2022.

The updated Plan was submitted in draft form to Welsh Government on 8th July 2022, noting that this was subject to consideration at the Public Board meeting on 28th July 2022. However, Welsh Government wrote to the Health Board on 12th July and 20th July advising that the financial position laid out in the plan, a deficit of £62m, was unacceptable.

As a consequence, at the Public Board meeting on 28th July 2022, a series of steps were laid out by the Health Board's Chief Executive, to bring back to the Board meeting in September 2022, which was undertaken.

Asesiad / Assessment

Update on actions agreed at July Board

Following the Public Board meeting in July 2022, the Chief Executive wrote to Welsh Government on 2nd August 2022 outlining a series of suggested actions. A response to this letter was received on 15th September 2022 from the Chief Executive of NHS Wales. An update on the actions was presented at September Board, however these have in part been superseded by the Health Board having since been placed into 'Targeted Intervention'.

Welsh Government wrote to the Health Board on 29th September 2022 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 IMTP, or a finalised annual plan and the growing financial deficit being noted".

Target Operating Model

A high-level overview of the key programmes of work for the delivery of the Health Board's strategic programmes of change was set out at the September Board meeting. It is anticipated that the programmes will deliver a number of benefits to the Health Board. Each programme will provide the platform and foundation to drive a number of improvements across performance, quality and finance.

The programmes are intended to address a multitude of pressures across the system. Consequently, each programme has been incepted to remedy specific challenges facing the Health Board. It has been well highlighted that the current financial challenges require targeted approaches across the following domains:

Nursing Workforce Stabilisation Plan

Reduction in Nurse Agency is included as part of the overall Nursing Workforce Stabilisation workstream jointly chaired by the Executive Director of Workforce and the Executive Director of Nursing. The workstream is targeting Glangwili initially with a view to then commence a rollout plan for Withybush, Bronglais and finally Prince Philip. It is anticipated that Glangwili will

remove up-to 75% of nurse agency utilisation by the end of 2022/23, with overseas nurses strategically and operationally deployed to cover the gaps in the rota. Furthermore, upon finalisation of rotas and accounting for managing sickness cover, the full benefit of up-to 100% of agency out will be realised by Quarter 1 in 2023/24.

The baseline information obtained for the month of September 2022 demonstrated that there was the equivalent of 101.65 Whole Time Equivalent (WTE) agency staff providing shifts within the Health Board. Moreover, 23.93 WTE (23.54%) were off-contract agency. It is envisaged that the Nurse Stabilisation plan will reduce the number of agency shifts to below 26 WTEs by the end of March, in line with the 75% reduction above.

Anticipated Financial Benefit

At present, the potential financial benefit is predicated on the premium cost associated with agency, i.e. the costs over and above that of a substantive member of staff. If the nurse stabilisation programme can deliver the aforementioned reduction (75%), this would equate to circa £640k per quarter or £213k per month.

Alternative Care Unit

The development of an Alternative Care Unit (called Y Lolfa) will be piloted within Glangwili as a proof of concept.

The unit will be housed on the same floor as Steffan Ward, (on the old Padarn Ward template) with a 15-bed capacity.

It is anticipated that patients transferring into this unit will be medically fit for discharge and as such the staffing of this unit will be more akin to the service provided to the individual in a community / home setting. The purpose of the ACU is to create the appropriate environment for the patient. As noted above, this is a pilot and will be subject to rigorous and continuous tests of change. All tests of change will be thoroughly scrutinised including what is working well and how any further improvements can be made. Equally, where any evidence in part or full suggests that there changes are required, then immediate action will be undertaken to ensure patient quality and experience underpins the ACU pilot.

The activity planning assumption (below) is based on the number of beds available within the alternative care unit, as a substitute to acute bed days i.e. 15 beds x number of days in the month. The initial indication is that the alternative care unit will save the following number of acute bed days in each quarter:

Measurement	Weekly	November	December	January	February
Acute Bed Days Saved	105	210	465	465	420
Impact Quarterly		Q3	Q4		
Total Bed Days Saved		675	1350		

The Alternative Care Unit is being established to ensure the appropriate care is delivered within the correct setting. Equally, there is expected to be a financial reduction in the level of expenditure when compared to the current cost of the extant surge beds. Subject to the final staffing model the Alternative Care Unit is expected to realise a financial benefit (reduction) of £140k-£217k within the current financial year (22/23).

Transforming Urgent and Emergency Care (TUEC)

The TUEC programme is based on 3 core principles, these are:

- Conveyance
- Conversion
- Complexity

The total opportunity across this sphere of work is estimated as follows:

Approach	Potential Annual Opportunity
Turnaround 50% of current admissions at the front door)	5000 – 10,000 bed days, possibly significantly more
Reduce 3 – 10 day length of stay for 25% of patients to no more than 3 days	16,300 bed days
Reduce >10 day length of stay for 25% of patients to no more than 10 days	2920 bed days
Reduce >10 day length of stay for current patients to no more than 10 days	65,110 bed days

The Health Board has made a significant investment into the TUEC programme this year, in part funded by Welsh Government, with capacity increases in key areas such as Same Day Emergency Care (SDEC), frailty services and community services.

TUEC is aligned to Welsh Government's 6 Policy Goals with the initial improvement trajectory aimed at:

1. Reduced Front Door Pressures- Emergency Department
2. Reduced Front Door Pressures- Surge Beds
3. Inpatient Management- Core Capacity

Due to the extreme level of system pressure, the additional capacity is initially expected to support the additional demand across winter. The modelling for winter suggests demand for services is going to be extremely high. However, subject to the level of winter pressures and/or market stability conditions, it is anticipated that the improvements generated through TUEC will lead to a reduction, by March 2023, in Emergency Department pressures and the use of front door surge beds / trolleys. This will be fundamental in managing demand and improving the patient experience in A&E, especially during January/February.

There is an expectation that as the improvements are realised there will be a small financial benefit towards the end of Quarter 4. The initial cost reduction within the current run rate (forecast) is aimed at reducing 40 A&E surge beds initially. This is expected to be achieved by March 2023 and it is estimated to save £330k-£350k in totality for the rest of this financial year. However, as highlighted below, there are a number of risks and wider pressures that may affect the in-year financial realisation.

Increasing Community Capacity

The increasing community capacity programme of work is in direct response to the challenges within the domiciliary/intermediate care workforce. As a consequence of these unparalleled and unprecedented challenges there is a need to increase capacity within the community to support earlier discharges and avoid A&E admissions.

The initial aspiration was to increase community capacity by 140 additional bed equivalent. The following schemes were part of the overall increasing community capacity work programme. However, due to challenges in recruitment, there are a number of schemes that have needed to be revised. Whilst, creating and delivering community capacity equivalent to 140 beds

remains the ambition, the final column has been included by way of 22/23 revised planning assumptions against the original planning assumptions of 140:

Locality Footprint	Workstream Detail	Category	Bed/bed equivalent capacity	Variance	Revised Planning Assumption
Carmarthen	Short term intermediate care function	Increase in Community Capacity (Dom Care, Reablement, etc.)	52	-34	18
Ceredigion	Development of the Health and Social Care Support Worker roles	Increase in Community Capacity (Dom Care, Reablement, etc.)	21	0	21
Ceredigion	Increase in intermediate care bed capacity	SD2R Beds in Hospital or Care Home	6	0	6
Pembrokeshire	Joint development of posts for long term dom care	Increase in Community Capacity (Dom Care, Reablement, etc.)	38	-22	16
Pembrokeshire	Havenhurst and Hillside Residential Care SD2R	SD2R Beds in Hospital or Care Home	9		9
Carmarthen	Ty Pili Pala Reablement Beds	SD2R Beds in Hospital or Care Home	14	-5	9
Total			140	-61	79

A specific area of focus has been in relation to *Increasing Community Domiciliary Care and Reablement (Bridging)*. The underpinning assumptions within this work stream are predicated on indicative activity planning assumptions that for every 1 (WTE) recruited, the community capacity equivalent will translate into circa 1.5 bed equivalents within the community.

The revised activity planning assumptions for both Pembrokeshire and Carmarthenshire are based on the successful recruitment of the requisite workforce. In order to achieve the full 43 beds associated with phase 1 of this workstream, the WTE required by county are:

- Pembrokeshire (Band 2) 16.44 WTE
- Carmarthenshire (Local Authority Grade D and E) 13 WTE

At present, the additional availability of capacity for Carmarthenshire and Pembrokeshire is expected as follows:

2022/23 Quarter 3	2022/23 Quarter 4	2023/24 Quarter 1
13	34	43

Ceredigion as part of its 22-25 Integrated Plan, is addressing the challenges through a number of initiatives as set out above. The additional capacity identified and agreed with Ceredigion County Council, through the development of Health and Social Care Support Workers remains on course to deliver the equivalent of 21 beds of capacity within the Ceredigion system. In totality, the 3 Counties will deliver 55 beds through increasing community capacity within Reablement and Domiciliary Care across the Health Board.

Finally, the residual 24 beds (of the 79) will come via Discharge to Recover and Assess. Each County will deliver the model via identified and appropriate capacity within their respective systems. Either through Care or Residential homes: Ty Pili Pala - 9 beds (Carmarthenshire), Havenhurst and Hillside Residential Home - 9 beds (Pembrokeshire), Tregerddan - 6 beds (Ceredigion).

Market Stabilisation and Fragility

It is important to draw attention to the significant volatility within the Residential and Domiciliary Care Market. Market fragility could have a significant risk to both the TUEC and Increasing Community Capacity Programmes of Work. The current information as of November 2022, highlights the following reductions in community capacity:

County	Capacity Reduction in 22/23
Pembrokeshire Closure of Beds	(35)
Pembrokeshire Package of Care (Loss)	(28)
Carmarthenshire Closure of Beds	(28)
Ceredigion Closure of Beds	(25)
Ceredigion Packages of Care	(27)

The vast majority of the reduction in capacity set out above is within 22/23.

Mental Health and Learning Disabilities (MH&LD) Continuing Healthcare (CHC)

There is a MH&LD CHC working group established to review the number of Packages of Care commissioned. As part of the initial work, the team have reviewed the findings of an independent nurse assessor. It is acknowledged that there is an urgent need to develop the appropriate Decision Support Tool (DST) to attribute a fair and proportionate financial split based on the level of care that is required and whether it is the responsibility of Health or Social Care.

The team will develop and engage with the respective Local Authorities over the coming weeks and months, but there is no financial benefit forecast within 2022/23 at present.

Argymhelliad / Recommendation

The Board is asked to:

- **DISCUSS** and **NOTE** the progress with developing and implementing the Target Operating Model in Urgent and Emergency Care (5J), Expanding Community Capacity (4Q) and Mental Health and Learning Disabilities (Continuing Health Care) (5G)

Amcanion: (rhaid cwblhau)	
Objectives: (must be completed)	
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:	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 2018-2019	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 Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Executive Team Discussions with Independent Members Operational Planning and Delivery Programme meetings

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	This is a key component in the delivery of the Integrated three year plan for the period 2022/25
Ansawdd / Gofal Claf: Quality / Patient Care:	This is a key component in the delivery of the Integrated three year plan for the period 2022/25
Gweithlu: Workforce:	This is a key component in the delivery of the Integrated three year plan for the period 2022/25
Risg: Risk:	Risks will be assessed as part of the ongoing process of both the development of the 2022/25 Plan 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.