Par: AG/MS/CH/RB/vep Llinell Uniongyrchol: 01495 765031 22 Mehefin 2012

Mark Drakeford AC
Cadeirydd
Pwyllgor Iechyd a Gofal Cymdeithasol Cynulliad Cenedlaethol Cymru
Bae Caerdydd
CF99 1NA

Annwyl Mr Drakeford

Pwyllgor Iechyd a Gofal Cymdeithasol Cynulliad Cenedlaethol Cymru: craffu ariannol

Ysgrifennaf mewn ymateb i'ch llythyr dyddiedig 1 Mehefin 2012 a chyfrifoldeb y pwyllgor uchod i archwilio gwariant, gweinyddiaeth a pholisi Llywodraeth Cymru.

1. Manylion eich dyraniadau refeniw a chyfalaf gwreiddiol gan Lywodraeth Cymru ar gyfer blynyddoedd ariannol 2011-12 a 2012-13

Isod, gweler tabl yn rhoi crynodeb o'n dyraniadau refeniw a chyfalaf:-

	2011/12 £m	**2012/13 £m**
Refeniw	**939.4**	**960.2**
Cyfalaf	**37.1**	**9.4**

2. Copïau o'ch cynlluniau ariannol (refeniw a chyfalaf), gan gynnwys manylion am arbedion i'w gwneud, ac ym mha feysydd gwasanaeth y gwneir yr arbedion, ar gyfer blynyddoedd ariannol 2011-12 a 2012-13

Ynghlwm, fe welwch ein Cynlluniau Gweithredu ar gyfer 2011-12 a 2012-13. Mae'r rhain wedi cael eu derbyn a'u hystyried yn gyhoeddus, ac maen nhw i'w gweld y tu mewn a'r tu allan i'r Bwrdd Iechyd.

3. Manylion am unrhyw gyllid ychwanegol a ddarparwyd yn ystod blwyddyn ariannol 2011-12 gan Lywodraeth Cymru, a pham y darparwyd ef

Fe gyhoeddodd y Gweinidog ddyraniad ychwanegol cylchol ar gyfer y GIG yng Nghymru yn 2011-12, a oedd yn golygu £17 miliwn i Fwrdd Iechyd Aneurin Bevan. Cawsom £1 miliwn yn ychwanegol ar gyfer datblygiadau o Gyfeirio i Amseroedd Triniaethau, sy'n broses ddyrannu arferol i gefnogi cynlluniau gwasanaeth cytunedig.

Fe wnaeth GIG Cymru gwrdd â'i dargedau ariannol yn llawn o fewn ei ddyraniad ariannol terfynol. Er gwaethaf cynnydd da yn 2011-12, nid oedd modd i'r Bwrdd Iechyd gyflawni ei holl welliannau ariannol yn ddigon sydyn. Er ein bod ni wedi gwella'r sefyllfa lle'r oeddem yn disgwyl bod ar ddiwedd y flwyddyn, gofynnodd y Bwrdd Iechyd am gael defnyddio cyfleuster Cymru gyfan i dynnu £4.5 miliwn yn ychwanegol i lawr ar ddiwedd y flwyddyn ariannol. Rhoddodd hyn y Bwrdd Iechyd Lleol yn yr un sefyllfa ag unrhyw sefydliad sector cyhoeddus mawr arall yng Nghymru, ac yn unol ag argymhellion y Pwyllgor Cyfrifon Cyhoeddus, sef bod angen i Fyrddau Iechyd Lleol reoli eu rhaglenni ariannol a newid gwasanaethau heriol dros fwy nag un flwyddyn ariannol.

O ganlyniad, fe wnaeth y Bwrdd Iechyd gwrdd â'i derfyn adnoddau refeniw statudol, ac roedd ei Gyfrifon Blynyddol yn ddiamod. Roedd y cyllid ychwanegol hwn yn llai na 0.2% o gyllideb y Bwrdd Iechyd. Darparwyd hyn yng nghyfanswm dyraniad ariannol GIG Cymru, a chaiff ei dalu'n ôl yn ystod 2012-13, ac mae wedi cael ei dynnu o ddyraniad y Bwrdd Iechyd yn barod. Rhoddwyd y cyllid ar yr amod penodol hwn.

4. Gwybodaeth am sefyllfa ariannol diwedd y flwyddyn ar gyfer blwyddyn ariannol 2011-12, a manylion ynghylch y cynlluniau ariannol a thargedau arbedion ym mhob maes gwasanaeth

Rwyf wedi atodi trosolwg ar ein sefyllfa diwedd blwyddyn, a gymerwyd o'n hadroddiadau Bwrdd cyhoeddus. O fewn hyn, fe wnaeth y Bwrdd Iechyd unwaith eto gyflawni dros £49 miliwn o arbedion, gan gynnwys £7 miliwn ar gaffael, £7 miliwn ar reoli meddyginiaethau, gan osgoi costau a chynnal pwysau costau sylweddol yn gysylltiedig â'r gweithlu.

5. Gwybodaeth, gan gynnwys enghreifftiau, am y modd y mae cynllunio ariannol a'r angen i arbed arian wedi effeithio ar eich gallu i gyflawni yn erbyn y blaenoriaethau polisi a nodwyd gan Lywodraeth Cymru.

O gofio am raddfa'r arbedion sydd angen eu gwneud, a'r angen i barhau i ddarparu gwasanaethau diogel o safon, mae gennym set o brosesau cadarn ar waith yn lleol i fwrw golwg dros y rhain a'u cyflawni. Mae'r rhain yn amlwg iawn yn y sefydliad, ac yn cael eu goruchwylio gan y Bwrdd o ran llywodraethu, ond maen nhw ar gael i'n holl staff. Yn ogystal, mae angen i ni sicrhau ein bod ni'n parhau i gynyddu perfformiad cyffredinol, a dangoswyd bod y Bwrdd Iechyd wedi cyflawni targedau a disgwyliadau o ran perfformiad. Ein bwriad yw cyflawni gwelliannau cyllid ochr yn ochr â gwelliannau eraill o safbwynt perfformiad.

Mae'n amlwg na all gwasanaethau cyhoeddus fod yn annibynnol ar y cyd-destun ariannol cyffredinol yr ydym yn rhan ohono yn y Deyrnas Unedig, yn ogystal ag yng Nghymru. Mae'r GIG wedi symud o gyd-destun cyllido twf a datblygu er mwyn cydredeg â newidiadau o ran twf a chwyddiant, i sefyllfa o arian parod sefydlog, lle maen angen cyflawni twf a datblygiadau o fewn setliad ariannol. Mae adroddiadau cyhoeddus yr Archwiliwr Cyffredinol ar wasanaethau cyhoeddus wedi amlygu'r pwysau sylweddol sy'n berthnasol i'r gwasanaethau cyhoeddus a'r GIG yn benodol. Mae'r amgylchedd hwn yn gofyn i ni wneud asesiadau a phenderfyniadau ynghylch sut rydym yn dymuno arbed arian – mae ein sylw ar ansawdd a chynaladwyedd – ond hefyd sut mae'n rhaid i ni wneud dewisiadau i wneud arbedion, hefyd.

Fe enghraifft, mae lefel yr arbedion rydym wedi nodi eu bod wedi eu cyflawni'n lleol dros y tair blynedd ddiwethaf ers sefydlu'r Bwrdd Iechyd yn gyfystyr â tua £50 miliwn y flwyddyn yn achos ein Bwrdd Iechyd. Mae'r rhain yn arbedion cronnus yn hytrach nag arbedion untro, felly nid yn unig y mae angen eu cyflawni mewn blwyddyn unigol, ond mae angen cynnal yr arbedion hynny, hefyd. Rydym wedi cyflawni dros 5% bob blwyddyn dros y 3 blynedd ddiwethaf, mewn cymhariaeth â chyd-destun lle'r oedd sefydliadau iechyd a oedd yn derbyn cyllid twf yn flaenorol yn gweld gwelliannau costau is o rhwng 1 a 2%. Ochr yn ochr â sefydlu sefydliadau newydd, rydym wedi cynyddu lefel yr arbedion yn sylweddol – ddwywaith a theirgwaith drosodd – mewn cymhariaeth â'r hyn a gyflawnwyd gan y sefydliadau blaenorol mewn cyfnod byr iawn o amser, ond nid yw'r cam hwn yn cael ei werthfawrogi'n llawn, gydag arbedion digynsail nawr yn cael eu gwneud gan gynnal gwasanaethau yr un pryd.

Llynedd, fe wnaeth y GIG yng Nghymru nid yn unig gwrdd â'i dargedau ariannol a chael cydbwysedd o ran ei chyllideb gyda'i gilydd, ond fe wnaeth hefyd gyflawni arbedion o dros £300 miliwn yn ôl yr adroddiadau. Mae hyn yn gyflawniad sylweddol mewn cymhariaeth â systemau iechyd eraill ac unrhyw wasanaeth cyhoeddus arall sy'n cael ei ddarparu.

Rwyf wedi bod yn bresennol yn y Pwyllgor Cyfrifon Cyhoeddus ochr yn ochr â Chonffederasiwn y GIG er mwyn cynorthwyo â'r dasg o ddeall y pwysau sydd ar y gwasanaeth, disgwyliadau ariannol, a'r modd yr aed ati o ddifrif i ymdrin â'r sefyllfa ariannol. Rydym yn delio â hyn yn broffesiynol i gael cydbwysedd rhwng ansawdd a darparu gwasanaethau ynghyd â'r disgwyliadau o ran cyflawniad ariannol o fewn y gyllideb rydym yn ei chael. Yr un pryd, nid yw'n bosibl cyflawni £50 miliwn o

arbedion bob blwyddyn (fel sefydliad unigol) heb newidiadau materol berthnasol ar lawr gwlad.

Yn ogystal â chyflawni rhagor am lai o arian o fewn ein meysydd gwario, fel y ffordd rydym yn caffael gwasanaethau, cyfarpar a nwyddau traul drwy ddulliau caffael, mae hyn yn golygu ein bod ni hefyd wedi canolbwyntio ar newidiadau i wasanaethau lleol ac ailddylunio gwasanaethau lleol, sy'n ein galluogi ni i ofalu am gleifion yn yr amgylchedd briodol, gan wneud penderfyniadau sy'n ein galluogi ni i leihau nifer y gwelyau rydym eu hangen o fewn systemau gofal iechyd lleol. Rydym wedi canolbwyntio ar ragor o gynllunio integredig a ffurfio timau gydag adrannau gwasanaethau cymdeithasol lleol, a hefyd wedi cyfuno ein strwythurau rheoli er budd ariannol. Rydym wedi targedu defnyddio ein gweithlu'n well drwy leihau dibyniaeth ar staff meddygol locwm a lleihau ein defnydd o asiantaethau nyrsio, ac mae'r duedd i ddefnyddio'r naill garfan a'r llall wedi lleihau ymhellach llynedd. Rydym wedi dadalltudio gwasanaethau o'r tu allan i'r ardal i ddarparu gofal a gwasanaethau lleol. Yn ogystal, rydym wedi dewis recriwtio i'n timau lleol yn hytrach na thalu am leoliadau drud y tu allan i'r ardal.

Fe fydd angen i ni barhau i wneud newidiadau i'n gwasanaethau lleol er mwyn cadw at ddisgwyliadau ariannol, ynghyd â newidiadau demograffig cyffredinol.

Mae'n bosibl darparu ansawdd gwell a gwneud arbedion yr un pryd. Llynedd, fel un enghraifft, fe wnaethom gyflawni'r nifer fwyaf o arbedion hyd yn hyn, gan gyflawni £5 miliwn ar ein cyllidebau rheoli meddyginiaethau; ar yr un pryd, rydym wedi cyflawni'r perfformiad gorau wrth ystyried ein targedau ansawdd ar reoli cyffuriau a meddyginiaethau. Er hynny, fel y gallwch werthfawrogi, mae hyn yn gydbwysedd anodd – ac yn broses weithredol barhaus bob dydd gyda'n staff – i wneud y penderfyniadau cywir fel rhan o'r drefn gyda rhagolygon ariannol llym. Mae'r rhain yn dargedau heriol i ni, ond mae'r Bwrdd a'r staff yn ceisio ymdrin â nhw'n broffesiynol, gan berchenogi materion ledled ein strwythurau. Mae nifer o'n newidiadau yn dod dan arweiniad a dylanwad ein staff – ac rydym yn cefnogi'r rhain gyda rhaglenni newid penodol sy'n gweithredu ledled y Bwrdd Iechyd. Mae lefel y newidiadau i wasanaethau sydd wedi digwydd yn seiliedig ar ymgysylltu â'n staff ac ochr y staff – rydym yn amcangyfrif bod dros 3,500 o'n staff wedi gweld newid mawr yn barod o ran eu gwasanaeth, eu safle neu eu swyddogaeth a'u disgrifiadau swydd. Rhaid i sylw ein newidiadau fod ar ddarparu ein gwasanaethau a'n cyfrifoldebau mewn modd cynaliadwy – a chydnabod fod yn rhaid i ni weithredu o fewn y cyllidebau rydym yn eu cael.

Hyderaf y bydd yr wybodaeth uchod a'r atodiadau o gymorth i chi.

Yn gywir

Dr Andrew Goodall
Prif Weithredwr / Chief Executive

Atodiadau

Aneurin Bevan Health Board

2011/12 Financial Out-turn

Introduction

The purpose of this paper is to present the outturn position of Aneurin Bevan Health Board for the financial year 2011/12.

The Health Board delivered further improvements in Month Twelve, resulting in a final out-turn £1.5m better than that previously forecast.

However despite the significant improvements in financial performance, the final out-turn of the Health Board was still one of a deficit position – at just under £4.5m. NHS Wales was able to breakeven across its overall budget.

Given the urgency, some of the actions to deliver this improved position were, by necessity, based on the recovery, turnaround and a stepped improvement of the previous financial performance and were focussed on short term cost reduction and cost containment. It is clear that these will also need to be continued as we move into 2012/13 in order to maintain momentum on this underlying improvement.

The main consequences of a deficit position were:-

- The commissioning by Welsh Government of an external review of the Health Board's financial plan for 2012/13;
- Within the context of NHS Wales balancing overall, allocation brokerage was made available by WG to cover off this deficit in the Health Board's accounts for 2011/12 – this is brokerage however and is therefore repayable in 2012/13.

Within this financial performance it should be noted that we did achieve a further £49m of cost reductions, avoidance and savings again this financial year representing delivery of 5.1% on the overall budget.

The Health Board also delivered within its Capital Resource Limit – with a ***£45k*** underspend, subject to audit, against a final capital programme of just over £35m.

This report covers these issues in more detail.

Financial Assessment and link to Financial Recovery Plan	This paper will provide the detail of the financial performance for 2011/12.
Risk Assessment	There were a number of financial and service risks managed to the year end to achieve the improved outturn.
Annual Operating Framework	This paper links to AOF target 9 – to operate within available resources and maintain financial balance. This paper will provide an assessment of the Health Board's achievement of this.
Standards for Health Services Wales	This paper links to Standard for Health services One – Governance and Assurance
Equality Impact Assessment	No Impact
Child Impact Assessment	There were no specific issues relating to this report.

Month Twelve Financial Performance

The final out-turn position that will be included in the Health Board's annual accounts for 2011/12 (subject to formal audit) is that it has delivered expenditure within a revised Revenue Resource Limit, with a small residual surplus balance of less than £0.1m (0.01%). The Health Board has therefore for the third year formally broken even. This is, however, after allowing for £4.5m brokerage of allocation from 2012/13 to cover the remaining deficit at year end. This deficit improved from that previously forecast by the Health Board, and significantly improved from the projected profile and trajectory of actual in year position through the first half of the financial year, and beyond.

The high level summary out-turn position is that:-

- The Health Board has further improved on its previous forecast year end deficit position of £5.5m, tracking both down to and exceeding this by over £1m, with the final position at just under £4.5m;

- This has been achieved by continuing improved performance through the final quarter across a range of delegated budget areas and targeted interventions. This includes those progressed via the weekly Financial Assurance Sessions;

- On top of this, the Health Board has improved against its previously declared forecast position of the last few months and against which formal brokerage of next year's allocation was requested during March. Part of this further improvement has been through year end settlements with other Providers and a small level of additional WG funding for orthopaedics.

- This improved performance has resulted in the Health Board formally requesting via Welsh Government a reduction to the level of brokerage of allocation required from 2012/13. This brokerage allows for the deficit to be covered in the Health Board's 2011/12 accounts and is now £4.5m, reduced by £1m. As this is brokerage, it is therefore repayable in 2012/13 and therefore important that the improved performance during the last few months of 2011/12 is recognised in this way. This is a different response to end of year deficits and has an impact on 2012/13.

- Despite the improved performance and reduced deficit / brokerage, the final out-turn of the Health Board in 2011/12 is still one of financial deficit. It also does not come without consequences, including the need for the above £4.5m brokerage of allocation to be repaid in 2012/13.

- The underlying run rate for March is at a similar level to the previous few months – tracking the Health Board to the above position. This will need to be maintained and further improved as we move into the new financial year.

- NHS Wales broke even across all its budgets.

This final position has been achieved by Localities and Divisions continuing to take every opportunity to deliver savings and contain costs. What the above demonstrates is that the underlying financial position of the Health Board has continued to track down from the previously forecast increased deficit position to nearer the initial forecast of £4m given to WG (after allowing for funding received since), allowing for additional risks to be managed.

All of the above is the month 12/draft accounts position, which is subject to audit.

The month 12 financial position by delegated budget area is as follows:-

	Full year Budget £000s	Month 12 Reported Variance £000s	Variance as %age of budget %
Localities:-			
Blaenau Gwent	45,529	-292	-0.6%
Caerphilly	99,265	908	0.9%
Monmouth	54,053	233	0.4%
Newport	76,937	334	0.4%
Torfaen	56,341	3,044	5.4%
Mental Health	72,123	1,857	2.6%
Operational Divisions:-			
Scheduled care	161,674	963	0.6%
Unscheduled care	83,401	2,643	3.2%
Family & therapies	86,536	1,517	1.8%
Facilities	50,400	85	0.2%
Corporate budgets	33,411	-724	-12.1%
Shared Services	2,757	-12	-0.4%
Externally provided services	175,460	314	0.2%
Capital charges	71,042	-417	-0.6%
Other	200	217	100.0%
Total delegated expenditure	**1,069,129**	**10,670**	**1.0%**
Centrally held budgets:-			
Strategic change reserve	4,500	-4,500	
Invest to Save	2,000	-2,000	
Other uncommitted	-118	118	
Additional Financial Support - WG brokerage from 2012/13 allocation	4,500	-4,500	
Income position - reduction in CRN provision	**0**	**-9**	
Total Reported Position	**1,080,011**	**-221**	**-0.02%**

This year end out-turn deficit / brokerage position needs to be viewed in the context of the financial challenge the Health Board faced in 2011/12. Key factors in relation to this include:-

- The initial financial challenge identified for the Health Board - c£73m, before the receipt of additional funding;
- The progress made before the start of the year on plans fully implemented and being delivered to reduce this to £61m;
- The detailed plans being progressed by budget holders to deliver this remaining challenge for this financial year – which currently value c£40m framed over a range of High Value Opportunities;
- This therefore currently represents a total savings and cost avoidance plan for 2011/12 of c£52m – over 5%. The above delivery confirms that final achievement was within £1.5m of this;
- Such savings coming on top of a similar level delivered in 2010/11;

- The financial plan and budget setting approaches being progressed in the "flat cash" allocation environment;

- The continuing costs being incurred for the additional activity being delivered to maintain the 36 week RTT waiting times target in orthopaedics.

- The transformational changes required in order to fully deliver such a level of financial challenge in a sustainable way, and the lead time some of the required changes require;

An improved out-turn position

There has been some significant performance improvement in the last quarter of the financial year. The Health Board's strategy for delivering this improvement was:-

- Ensuring traction and delivery of existing plans;

- Decisions taken in terms of specific service choices and additional progress of existing plans;

- Further areas to improving performance:
  - Performance dividend and benchmarking
  - Focus on variable pay as in-year recovery issue
  - Stretching existing targets (e.g. to include procurement)

To support this focus on delivery of plans, and pushing even further on opportunities to further reduce spend, a change of emphasis to the previous Programme Implementation Team was introduced. Led by the CEO, and focusing on five work streams each week, on a fortnightly cycle, one hour each week was dedicated to proposing, agreeing and reviewing new sets of actions to further reduce spend over the latter months of the financial year. The work streams subject to this updated Financial Assurance Session approach were:-

- Medicines management
- CHC
- Workforce
- Reducing reliance on inpatient beds
- Non Pay
- Commissioning
- Estates / Energy
- Service reconfiguration
- Access
- Medical staffing effectiveness

A wide range of agreed actions, to reduce cost, were agreed, progressed and delivered through these.

This final out-turn deficit continues to be consistent with improvements against the updated financial plan submitted by the Health Board to WG following Month Five. This still remains an unacceptable position to the Board and to the Welsh Government. All that could be done to deliver to this position, and further improve it, was done so however, and is demonstrated in the improved position in m12, and that is fully recognised.

Other enablers to this improved year end position include:-

- Successful resolution of year end LTA settlements with other providers, at no worse a financial level than that included within our previous forecast;
- Linked to the above, final confirmation of the level of additional orthopaedics funding for 2011/1;
- The ability to further push down costs in continuing to deliver towards RTT, through increased medical productivity, reduced WLIs, etc;
- Ensuring proper recognition of the full costs of frailty;
- Successfully managing any additional costs from continued service and capacity pressures through the winter months;
- The ability to further release planned balance sheet items at the year end.

Conclusion and recommendations

The Board is asked:

- to note this provisional 2011/12 financial out-turn position;
- to note the audit process for final accounts.

Report prepared and sponsored by:

Christopher Turley
Acting Director of Finance

GIG CYMRU NHS WALES

Bwrdd Iechyd Aneurin Bevan Health Board

Our Annual Plan

2011/2012

Working with you for a healthier community

Caring for you when you need us

Aiming for excellence in all that we do

FINAL VERSION

6 May 2011

ANNUAL PLAN 2011/ 2012

CONTENTS

ANNUAL PLAN 2011/2012

1. PURPOSE

The purpose of the Annual Plan 2011/2012 is as follows:

- to provide an operational plan for the Health Board, set in the context of the Service, Workforce and Financial Framework ('Five Year Framework'), which sets the priorities for local delivery across the organisation;
- to incorporate the Health Board's response to the Welsh Assembly Government's Annual Quality Framework 2011/2012, as a clear and integrated part of the Annual Plan;
- to set out the Health Board's key targets for 2011/2012 to improve health outcomes, reduce inequalities in health, maximise the potential of prevention and early intervention;
- to outline how the Health Board will use the quality agenda, underpinned by the Standards for Health Services and the reduction of waste, unnecessary variation and harm;
- to highlight how the Health Board will capture the opportunities for integrated care through the implementation of 'Setting the Direction' and its links with unscheduled care system transformation;
- to demonstrate how the Health Board will use patient experience and patient satisfaction to inform and drive change;
- to provide an updated quantification of the estimated financial challenge facing the Health Board in 2011/2012;
- to provide a clear set of actions to frame the areas necessary to address the resulting financial shortfall to ensure an aligned budget plan, building on work that has been in train in 2010/2011 to both contain and reduce costs and also aligning with "Delivering the Five Year Service, Workforce and Financial Strategic Framework for NHS Wales" 14 high value opportunities set out nationally.

2. VISION AND VALUES

The Board's vision for the organisation is as follows:

Working with you for a healthier community

Caring for you when you need us

Aiming for excellence in all we do

We will deliver this by working to the shared values of the NHS in Wales[1]:

- Putting quality and safety above all else; providing high value evidence based care for our patients at all times.
- Integrating improvements into everyday working and eliminating harm, variation and waste.
- Focusing on prevention, health improvement and inequality as key to sustainable development, wellness and wellbeing for future generations of the people of Wales.
- Working in true partnership with partner organisations and with our own staff.
- Investing in our staff through training and development, enabling them to influence decisions and providing them with the tools, systems and environments to work safely and effectively.

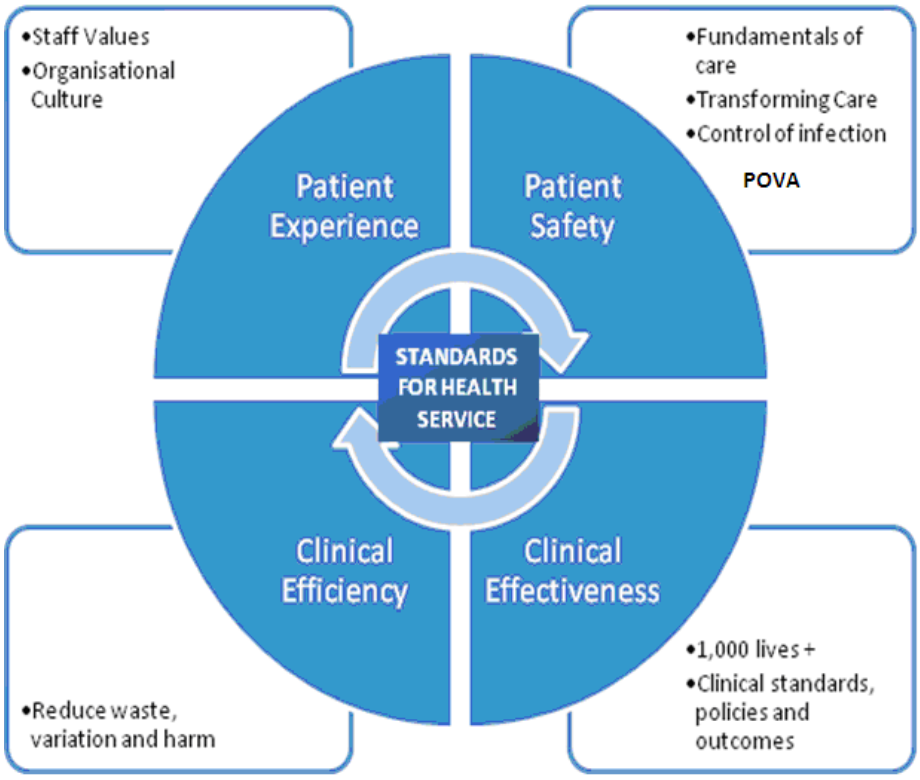
Quality and Patient Safety must be at the centre of our work if we are to achieve excellence in all that we do. The core elements of quality shown in Figure 1 overleaf are underpinned and driven by the Standards for Health Services (2010).

Our aim is to transform patient experience and nurture a consistently person-centred approach in everyone, every day. All clinical teams need to be able to answer these questions:

- do we treat patients well?
- did we help them with their problems?
- do we deliver safe, high quality services?
- do patients experience timely access to our services?
- do we safeguard vulnerable service users?

[1] Annual Quality Framework 2011/2012, Welsh Assembly Government, 2011.

Figure 1 ABHB approach to Quality and Patient Safety



The alignment of the Health Board's Patient Experience Strategy, the Organisational Development Strategy and the 1000 Lives Plus Programme with organisational values is crucial to this.

We also recognise the importance of partnership and equality across primary, community (health and social care) and secondary sectors as pivotal to delivering the model of care that the Health Board aspires to deliver; specifically shifting the balance of care provision to community settings, reducing reliance on secondary care whilst ensuring appropriate access to high quality secondary care services when needed.

We will focus on building productive partnerships across primary, community and secondary care utilising a number of approaches, including Neighbourhood Care Networks, to support the planning and implementation of service redesign.

3. WORKING IN PARTNERSHIP

In order to achieve the potential benefits of joined up working across public sector and voluntary sector organisations, there is a need for high performing partnerships which enable innovation, the pooling of expertise and resources, and which put the citizen at the centre of service design and delivery.

The Health Board is proud to work in partnership with a number of partners including staff groups such as the Health Board's Trade Union Partnership Forum; stakeholders such as the Stakeholder Board and Professional Forum and with statutory partners such as the Aneurin Bevan and Brecknok and Radnor Community Health Councils, Powys Local Health Board, the Third Sector and Local Government, including:

- Blaenau Gwent County Borough Council;
- Caerphilly County Borough Council;
- Monmouthshire County Council;
- Newport City Council;
- Powys County Council;
- Torfaen County Borough Council.

The key statutory partnerships, which are critical delivery mechanisms for achieving the Community Strategy in each locality, are:

- Local Service Boards;
- Community Safety Partnerships;
- Substance Misuse Action Teams
- Area Planning Boards;
- Health, Social Care and Wellbeing (HSCWB) Partnerships;
- Children and Young People's (CYPP) Partnerships.

We recognise and support the aspirations of the national social care strategy - "Fulfilled Lives, Supportive Communities". Our aim is to fully participate and support the partnerships in ensuring consistency where appropriate, across these areas, underpinned with a clear, local delivery approach.

Each of these Partnerships, supported by significant joint planning and working arrangements have developed strategic plans and are working to implement the service delivery commitments that have been prioritised. The Health Board is actively committed to delivering against these plans and priority areas identified within them.

Building on the joint planning mechanisms, established through statutory development of joint plans such as the HSCWBS and CYPP, the “One Wales Delivery Plan” set out a key aim which was to have Local Service Boards (LSBs) and Local Delivery Agreements (LDAs) in place across Wales by 2009/10.

The purpose of LSBs and LDAs has been to strengthen collaborative leadership at the local level, adding value through practical problem solving and a more integrated approach to public service challenges and opportunities. The five LSBs in Gwent have agreed specific projects for joint development and delivery, some of which are service specific e.g. mental health and services for children with a disability and others which seek to address broader issues e.g. transport and access to services.

The LSBs provide a valuable mechanism and process for jointly addressing some of the more intractable issues and challenges and will form a key part of the Health Board’s planning framework going forward.

The five Community Strategies identify the range of social, economic, environmental and cultural factors that impact on the health and well-being of their constituent populations.

Community Safety Partnerships (CSPs), comprising statutory representation from the Local Health Board, Police Authority, Gwent Police, Fire Authority and Local Authority, have been established in all five boroughs in Gwent and lead progress against crime and disorder and substance misuse priorities at a borough level.

In order to further progress the work of CSPs and, recognising the potential benefits of planning and implementing substance misuse services in partnership across boroughs, the Welsh Assembly Government issued guidance on the establishment of Area Planning Boards (APBs), from 1 April 2010, co-terminous with the Local Health Boards. The Gwent APB is supported by an all Gwent Operational Group which includes key partner representation.

Each of the localities has completed implementation of the 2008 – 2011 HSCWBS and CYPPs and reflected on achievements against jointly agreed action plans. Revised Welsh Assembly Government guidance has informed development of the 2011-14 HSCWBS and CYPPs.

Development of both HSCWBS and CYPPs has taken account of the Health Board's Annual Plan, Five Year Framework, Standards for Healthcare Improvement Plan and the requirements of 'Our Healthy Future', enabling a greater focus on the prevention and well being imperatives in tackling the wider determinants of health through effective partnership working

Some of the key issues we have to tackle together include:

- integrating mental health and learning disabilities services across health and social care;
- health promotion, disease prevention and safer communities;
- determinants of health;
- sustainable developments;
- joint endeavours to meet older people's needs in their communities including feeling safe in their homes, and supporting them to live in housing that is appropriate to their needs;
- capturing the opportunity to integrate children and young people's services;
- broader collaborative opportunities in the public service context.

Some of the key commitments within the 2011-14 Health, Social Care and Well Being Strategies and Children and Young People's Plans by way of illustration can be seen at **Annex 1**.

The Health Board is committed to building on our current partnership working relationships with the third sector. This is demonstrated through the ongoing development of Third Sector Compact Principles that underpin our commitment to work closely with the Third Sector in developing, implementing and reviewing health care services for the population of Gwent.

The compact principles articulate our approach to:

- Valuing Third Sector Partners unique role in understanding diverse community needs and the great resource they bring to the development and delivery of services;
- Planning and Contracting for Services with a focus on improving quality, patient safety, efficiency, productivity and patient experience recognising the need for stability and viability of Third Sector organisations;
- Communication founded on mutual trust, openness and which facilitates sharing of good practice as well as rapid identification and resolution of problems and issues.

The overarching principles will inform Locality tripartite/multi-organisational Compact Agreements and annual Compact Action Plans.

———————————————————————————

4. ORGANISATIONAL PRIORITIES

It is important that there are a clear set of priorities for the Health Board and its staff. The five areas of agreed focus for the Five Year Framework are:

- **Delivering Patient Centred Services:** taking all opportunities to organise services around the citizen and balancing our whole system of care.

- **Focusing on Safety, Excellence and Quality:** we have a responsibility to ensure that patients and the population we serve receive the best quality, evidence-based care we can provide and to ensure we deliver the basics exceptionally well. We also have a responsibility to consider quality in its wider definition including patient experience (and appropriate access), maximum productivity and minimal waste; as well as clinical effectiveness and patient safety.

- **Empowering our Staff:** we can only deliver by trusting our staff, supporting them to make the right decisions close to the patient and to find innovative ways of developing the workforce.

- **Achieve better use of resources:** whatever changes we make and wherever we deliver care we must do this in line with best practice, with an excellent workforce, within the resources we receive and with confidence that improvements can be maintained.

- **Improving Our Public Health**: at present, there is major inequity in health status within our population. We need to focus our efforts alongside those of Local Authority and other partners to systematically improve the health of the population in those areas of greatest need, through addressing determinants of health, supporting healthier lifestyles, and improving access to evidence based preventive services.

This can be seen diagrammatically as follows:

The fourteen high value opportunity areas set nationally cross refer to the Health Board priority areas in a number of ways, as can be seen below:

14 High Value Opportunities		Board Priority Areas	
Capture the opportunity of integrated care			1,000 lives plus
1	Develop new settings of care and improve long-term care pathways	Delivering patient centred Services	
2	Improve quality of continuing care through health and social care integration	Delivering patient centred Services	
3	Develop improved unscheduled care pathways	Delivering patient centred Services	
4	Implement cross-system patient information and informatics	Delivering patient centred Services	
Improving quality and financial, sustainability by reducing harm, waste and variation			
5	Stop wasteful clinical interventions	Focus on safety, excellence and quality	
6	Improve acute care performance and decrease length of stay	Focus on safety, excellence and quality	
7	Improve primary and community care	Focus on safety, excellence	

	performance	and quality	
8	Improve mental health service position	Delivering patient centred Services	
9	Manage medicines more effectively	Focus on safety, excellence and quality	
10	Improve procurement and supply chain	Achieve better use of resources	
11	Drive highest-value prevention campaigns	Improve our public health	
Empower the front line			
12	Streamline and refocus the centre	Achieve better use of resources	
13	Establish service line management and patient-level costing	Empower our staff	
14	Modernise the workforce	Empower our staff	

5. PROGRESS IN 2010/2011

The Health Board has a clear strategic direction for the development of clinical services and the associated development of estate and infrastructure, which has been developed by clinicians. Known as the 'Clinical Futures' service strategy (and described in some detail later on in Section 8) significant progress has been made in implementing our service strategy in 2010/2011, as was set out in our Annual Plan for 2010/2011.

The following provides a summary of progress during 2010/2011, set against the Health Board's five priority areas set out in Section 5:

Safety, Excellence and Quality

- modernised orthopaedic services with development of musculoskeletal triage service;
- improved process and patient flow in A&E resulting in more consistent and improved performance;
- achieved significant improvements in standards of care as indicated from the results of the Fundamentals of Care audit;
- consistent achievement of the 31 and 62 day cancer targets and significant progress in the achievement of the All Wales Cancer Standards;
- low mortality rates;
- achievement of stroke targets, with implementation of a true integrated care pathway for stroke;
- achievement of the sexual health targets;
- roll out of 1000 Lives across the Health Board, a major driver of improved focus on improving clinical processes and care for patients;
- improved management of infectious diseases such as Clostridium Difficile;
- improvements in maternity services across the Health Board, in line with the Health Inspectorate Wales report;
- continued to provide the foundation of high quality care including improving stroke services, delivering cancer standards and improving renal services;

Delivering Patient Centred Services

- commissioned and opening of Ysbyty Aneurin Bevan which has enabled the closure of Blaina and Tredegar Hospitals;
- increased the number of patients who come to hospital on the day of surgery and increased the number of Day Surgery Cases, reducing the number of surgical beds at the Royal Gwent Hospital, whilst sustaining Referral to Treatment (RTT) performance;
- 95% RTT 26 week target met in all specialties, except orthopaedics;
- developed mental health crisis resolution and home treatment teams by reinvesting resources from the closure of Rholben Villa at Maindiff Court Hospital, the Health Board is now one of the top performers in Wales and projected to meet 100% of the national service requirements by March 2011;
- development of the multi-agency Gwent-wide Frailty Programme;
- made progress in the development of integrated Mental Health and Learning Disability Strategies;
- accelerating the service changes in Caerphilly associated with the opening of Ysbyty Ystrad Fawr (YYF) in 2011/2012;

- good progress on the achievement of AOF targets for CPA and CRHT in Mental Health, requiring major re-engineering of services by focusing on community delivery rather than inpatient beds;

Empowering our Staff

- reduced variable workforce costs and improved quality and continuity of care through lowering agency and overtime costs, whilst sustaining services and staff relations;
- implementing the Knowledge and Skills framework in support of staff development;
- roll out of the "Employee Well Being Strategy" across Aneurin Bevan Health Board.

Achieve better use of resources

- continued to improve Continuing Healthcare arrangements; reducing expenditure and containing an anticipated growth in spend of £16m, while developing more locally accessible services;
- continued to deliver low waiting times in most specialties with only Orthopaedics having major challenges resulting from high demand compared to available capacity;
- good progress in developing more sustainable Orthopaedic services for the future;
- improved integrated working across health and social care resulting in examples of decreasing length of stay and opportunities for capacity reduction in community hospitals;
- best outpatient new to follow-up ratios in Wales;
- improved efficiency & productivity, particularly in Short Stay Surgery, follow-up ratios and Day of Surgery Admissions.
- progressing the Capital Programme by delivering YAB, progressing YYF on schedule and to budget, South Gwent Children's Centre, and the Health Board's Discretionary Programme.
- good comparative performance against national prescribing targets;
- improvements in 'did not attend' rates, day case rates and 'late starts' in theatres;
- low rates of delayed transfers of care;
- delivering significant savings as part of the Health Board's Financial Plan
- Integration and streamlining of commissioning processes (for services within and outside of Wales) with significant cost containment efficiencies
- progress in achieving financial balance;

Improving our Public Health

Delivered considerable progress towards protecting and improving health for all, for example:

- HSCWB needs assessments completed;
- Launched smoke-free "Health Promoting Hospitals";
- Year 10 schools based teenage booster campaign launched with excellent uptake;
- Established an effective influenza multi-disciplinary professional taskforce to support prevention and manage peaks in demand;
- Co-ordinated programme of Pharmacy Health Improvement campaigns including Influenza;
- Co-ordinated "Save A&E For When You Need It" campaign;
- Sustainability and Health & Work Group established.

The Health Board has been developing a greater understanding of key issues which impact on the safety and well being of patients during 2010/2011. This has included undertaking work highlighting variation in delivery of services and the consequent potential impact

on safety or waste. This has included detailed analysis of factors which impact on mortality rates and risk adjusted mortality, assessing areas of opportunity to improve unscheduled care services and understanding areas to improve rates of readmission and repeated admissions where Health Board performance could improve. This work has informed the Health Board's strategy, priorities and actions which are now fundamental aspects of the detailed actions and measures to develop coherent plans to meet the challenges set out in the Annual Quality Framework.

During 2010/2011, the Health Board has been focusing on integrating care within health services and with partner organisations, focusing on improving safety and quality of services for patients, developing more sustainable solutions and improving the empowerment of staff.

In order to achieve these commitments, the Health Board has already made real progress by continuing to develop its whole organisational response and focusing on this commitment by:

- connecting services and support throughout primary, community and hospital services;
- promoting opportunities to integrate with social care and Third Sector care providers, through important initiatives such as the Frailty Programme and development of Neighbourhood Care Networks;
- staff continuing to ensure that services and their care for patients remain their primary focus and will continue to look to deliver change and develop new opportunities for the benefits of patients;
- focusing on driving specific performance areas to be delivered such as those set out in the Annual Operating Framework 2010/2011 and implementing other key areas such as 1000 Lives;
- continuing to integrate our organisational structure and bringing together opportunities for whole system working starting with public health approaches.

In partnership, there has been a focus on local relationships with agencies and communities around the localities. The locality structure has been supported as a fundamental part of the way we do business, not to simply duplicate former LHB structures, but rather to get the local relationships and visibility of the organisation established. Developments include:

- the Director of Social Services for Torfaen also undertaking the Torfaen Locality Director role for the Health Board as an integrated post;
- in other localities, other professional and managerial posts are being brought together in integrated roles (e.g. in mental health and rapid response teams);
- the Health Board has supported partnership priorities and ensured that there is full engagement in new ways of working at Board, Director and operational levels, including the Chief Executive joining the Local Authority Chief Executives and Chief Constable in their Gwent meetings and identifying actions for public service collaboration across Gwent.

_____

6. ASSESSING THE CHALLENGE

The challenge is significant in terms of delivering the Health Board's vision, particularly in terms of improving health outcomes, system performance and the financial health of the organisation. The Five Year Service, Workforce and Financial Framework sets out in more detail the extent of the challenge, which can be summarised as follows:

Health Outcomes

Health outcomes are variable with life expectancy and death rates varying significantly across the Health Board area. The burden of chronic disease is severe, with historic and continuing inequalities across localities in health and wellbeing which coupled with our ageing population is stretching resources.

The lifestyle risk factors directly related to many chronic conditions in our communities suggests that their prevalence is likely to remain high unless the Health Board puts more effort into health improvement and disease prevention.

System Performance

In terms of systems performance, there are a number of areas for improvement. For example hospital capacity is strained by suboptimal use and a 999 call is 30% more likely to lead to a hospital admission compared to the best English regions. Other resources are used less efficiently than they could be, as indicated by measures including length of stay, day case rates, DNA rates, readmission rates. Ensuring timely access to some services remains a challenge. Key costs are also rising rapidly or remain persistently high.

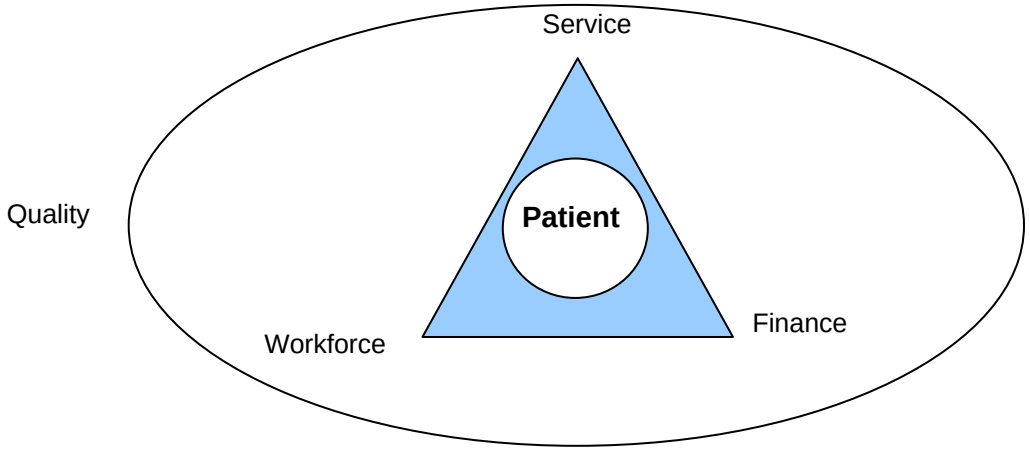
Financial Health

The downturn in the economy and the difficult current economic outlook for public services means that the NHS in Wales faces significant and increasing financial challenges. The current system is unaffordable and in 2011/2012 the Health Board needs to deliver savings of £61m in 2011/2012 and savings of a similar magnitude over the next 5 years to stay within the resources provided and to deliver the key targets expected of it. In practical financial terms this requires the delivery of approximately £5.113m of savings per month during 2011/2012, and circa £3.5m per month in future years.

7. APPROACH IN 2011/2012

The Annual Plan 2011/2012 is set against the five priority areas outlined in Section Four above and in the Five Year Framework. It is also being developed in service, workforce and financial terms, as part of the Health Board's integrated planning approach, placing the patient at the centre of planning and delivery.

Figure 2: ABHB Integrated Planning Approach



The plan incorporates the organisation's response to the Welsh Assembly Government's Annual Quality Framework 2011/2012 and outlines how the organisation will use the quality agenda, underpinned by the Standards for Health Services, to increase efficiency and financial stability by reducing waste, variation and harm. This builds on a clinically-led approach to service, workforce and financial planning which has been undertaken during 2010/2011 at a pathway, Clinical Directorate and a Locality level across the organisation.

As well as a number of cross-cutting service plans, in areas such as chronic obstructive pulmonary disease (COPD), unscheduled care and stroke services, all Clinical Directorates and Localities have been developing their five year plans, containing their vision of service and specific actions for 2011/2012. **Annex 2** provides an outline of the approach taken.

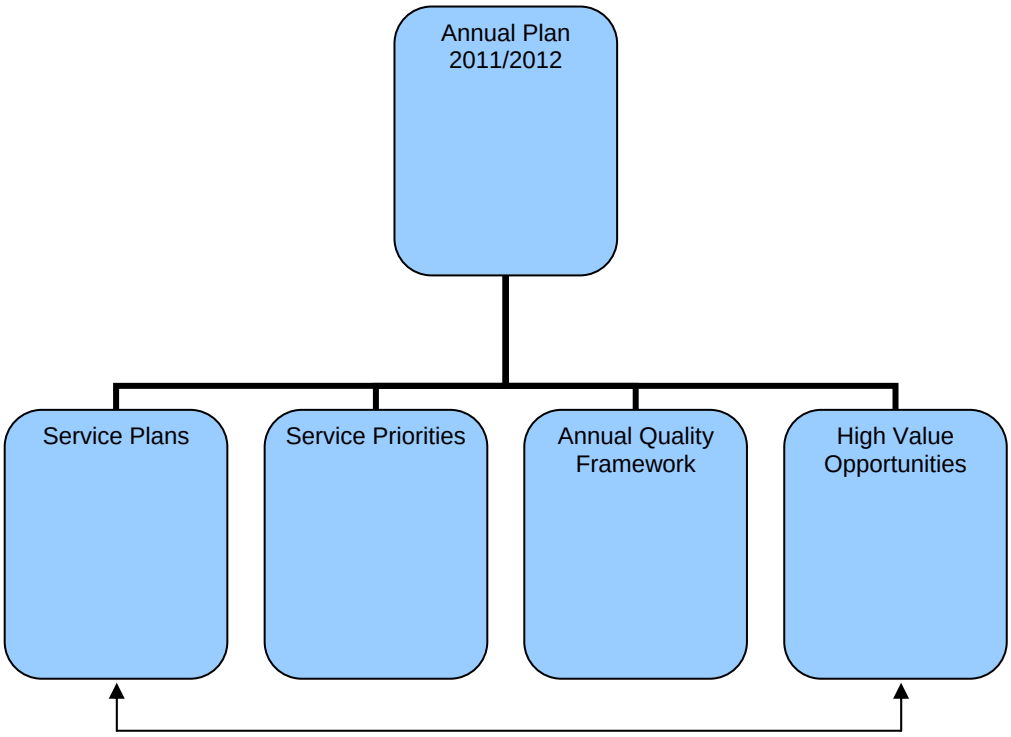
This plan also provides an updated quantification of the estimated financial challenge facing the Health Board in 2011/2012 and provides a clear set of actions to frame the areas necessary to address the resulting financial shortfall, building on work that has been in train in 2010/2011 to both contain and reduce costs and

also aligning with “Delivering the Five Year Service, Workforce and Financial Strategic Framework for NHS Wales” 14 High Value Areas set out nationally.

Workforce, capital planning, estate, information and communication technology, organisational and clinical governance are key enablers identified as key to delivering the Annual Plan, with next step developments described later on in the plan.

The Plan is therefore based on the following component parts as is set out in the following Sections 8–11:

Figure 3: Structure of ABHB’s Annual Plan 2011/2012



8. STRATEGIC SERVICE PLAN

Public Health

In terms of public health, it is the Health Board's aim to eliminate inequalities in health status through partnership, ownership and empowerment. The Welsh Assembly Government Publication 'Our Healthy Future' provides a strategic framework for public health action in Wales until 2020. The Health Board has used two of the six themes - health through the life course and health inequalities – to provide a structure for identifying needs and priorities over the coming years.

Adopting the life course approach to public health is useful for a number of reasons:

- the people, their needs and the opportunities for public services to intervene are different at different stages in life;
- by identifying and acting on the needs specific to different life stages we can help to prevent inequities in health;
- different front line services and professional groups are responsible for providing care to people at the different stages of life – this has important implications for improved integration of overlapping services for particular population groups and for age-related transition through service systems.

In terms of identifying needs and priorities, the Welsh Assembly Government has been advocating that Health Boards, Local Authorities and their partners adopt an outcomes-based approach – Results Based Accountability (RBA) – as the new framework for planning and monitoring public services. The advantage of RBA is that it provides a clear line of sight from the outcomes, to the causes and then to the priorities for action.

To support the application of RBA, the Aneurin Bevan Health Board and Gwent Public Health Team have recommended a set of outcomes at critical points across the life course:

- babies are born healthy;
- pre-school aged children are healthy, safe and develop to their potential;
- school aged children and young people are safe, healthy and equipped for adulthood;
- working age adults live healthier lives for longer;
- older people age well in to their retirement;
- frail people are happily independent.

To this end, progress on all ten areas of 'Our Healthy Futures' must be made. The Health Board has prioritised the five areas of smoking; obesity; alcohol misuse; teenage pregnancy and oral health for initial focus. Public Health Strategic Framework drives OHF work plan and AQF to meet immunisation, injuries etc other OHF area and verticals → Ethnic minorities, vulnerable groups, sustainability, child health and care of elderly etc.

Clinical Services

The Health Board has a clear strategic direction for the development of clinical services and the associated development of estate and infrastructure, which has been developed by clinicians. Known as the Clinical Futures service strategy, this articulates this model of care and has been the framework against which service developments in the Health Board and the former NHS organisations have been developed and referenced.

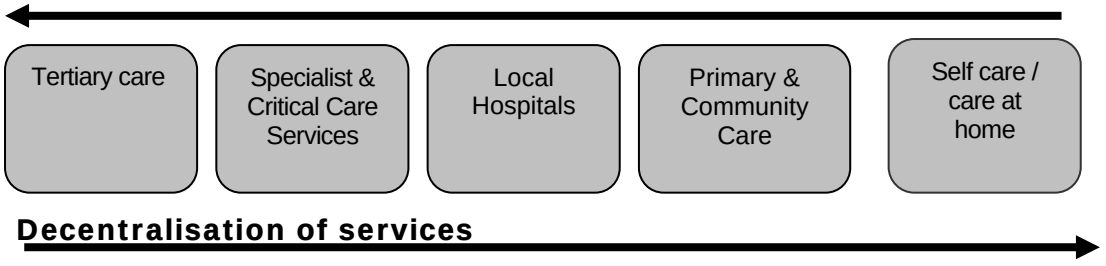
Clinical Futures has public, political and clinical support as a model that will deliver safe and sustainable services to the population. The Health Board has confirmed the Clinical Futures strategy as the organisational direction for service modernisation, improvement and redesign. This means that our approach will retain the core principles within Clinical Futures as the foundation for the further service changes and improvements that need to occur to support critical mass, safety and finance.

The model of care highlights the need for change and supports a "whole systems" approach to underpin the development of sustainable health and well being services in the area.

The key to the new model of service is a re-balance of care between primary, community, secondary and tertiary services in recognition of the following drivers for change:

Drivers for Change

Consolidation of services (Sub specialisation, clinical standards, 24 hour service delivery, European Working Time Directive, training, recruitment & retention)



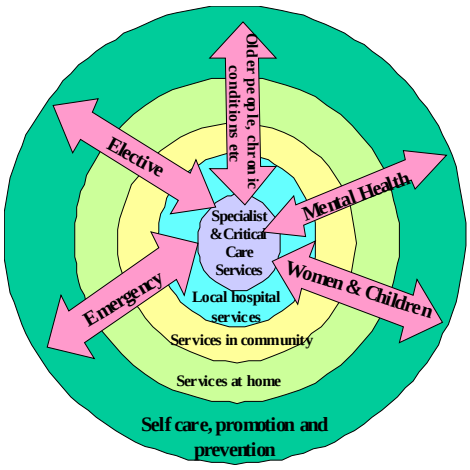
(Public expectations, local relationships, changes in clinical practice and roles, new ways of working and new technology)

The strategic objectives for the Clinical Futures Programme focus on:

- providing more services closer to home to support independence;
- improving access to services in terms of time and location;
- ensuring that services meet acceptable standards of safety and quality as stipulated by the Standards for Healthcare Services and deliver the best possible outcomes for patients;
- improving integration and continuity of care for patients between different professionals, settings and providers;
- developing a service configuration that optimises the use of current resources to deliver best performance in the national context;
- developing a service configuration that is sustainable from clinical, patient experience and financial aspects.

This is a whole system vision that takes into account primary, community, intermediate, secondary and tertiary care and is consistent with the Welsh Assembly Government published strategic framework for primary and community services 'Setting the Direction'. The approach is represented on the following diagram:

Clinical Futures pathways



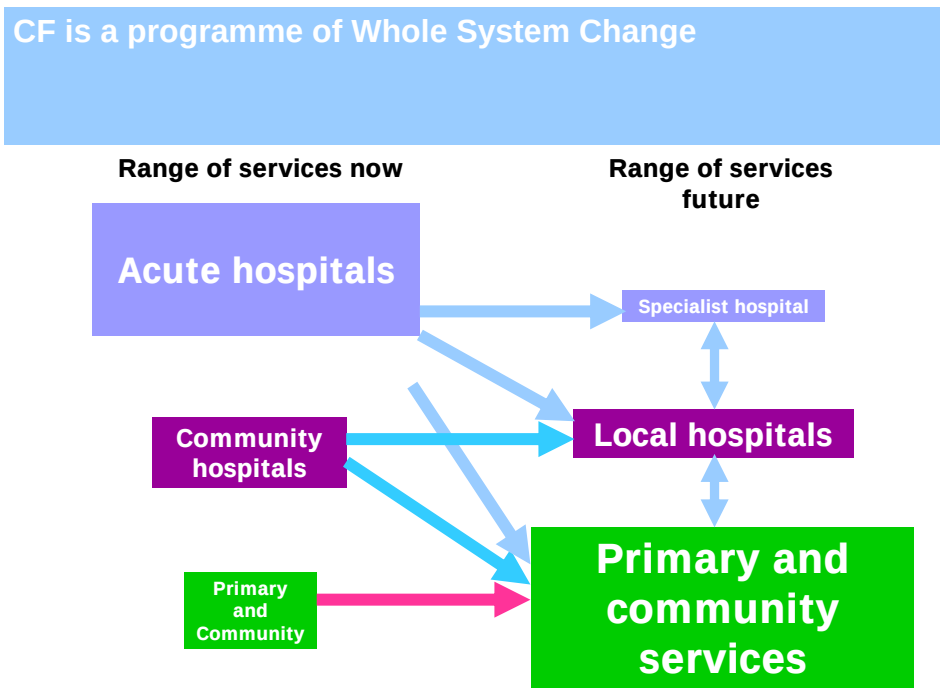
The concentric rings represent the various levels or settings for care within the local health community. The arrows represent the patient pathways, starting in the home or community settings, and reaching inward through local hospital care to specialist care as required. At each stage the model aims to maximise the services and care available locally that can prevent the patient needing to go further down the pathway.

The strategy aims to:

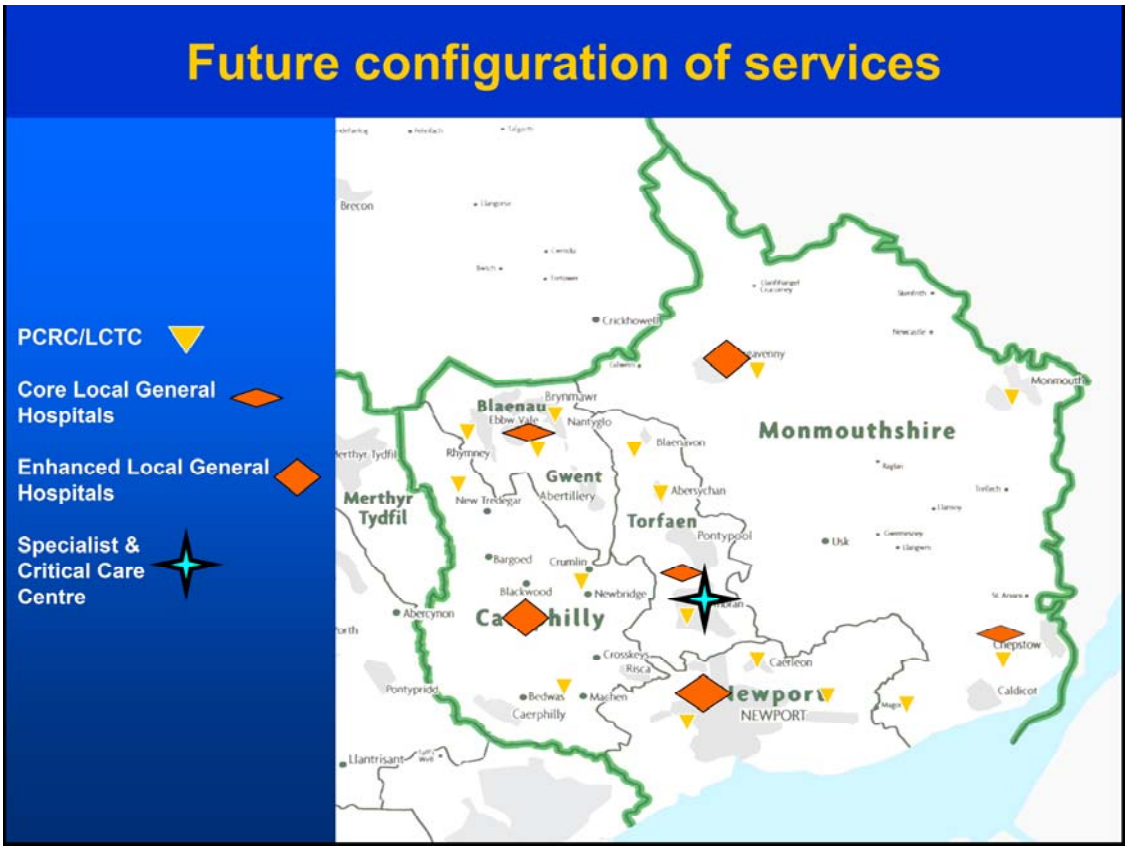
- increase the range of services provided in communities through primary, community and mental health services using "Setting the Direction" as a model framework (Level 1);
- develop a new network of Local General Hospitals providing routine hospital services including emergency care, day case and short stay surgery, outpatients, diagnostic and integrated care, together with mental health services (Level 2);
- develop a single Specialist and Critical Care Centre (SCCC) providing specialist and critical care services that cannot be provided on multiple sites based on sustainability, clinical effectiveness, patient safety and affordability (Level 3);
- develop specialist mental health services (Level 3).

Annex 3 provides a further illustration of the levels of service and associated types of care across the broad range of services provided by the Health Board.

The model of care plans for the majority of health needs to be met in primary and community service settings, supported by a network of Local General Hospitals providing routine hospital care and the consolidation of specialist and critical care services in a central, accessible location to meet those needs that cannot be safely met in Community or Local General Hospital settings. Clinical Futures as a service strategy is designed to be a whole system of change as can be seen from the following figure which sets out the current range of services and those planned in the future:



The following diagram highlights the vision of the supporting hospital service network across the geography of the Health Board, to service the populations of Gwent and South Powys for routine and specialist/critical care needs:



Several significant components of the model have already been implemented or are well underway in their development including:-

- The establishment of Community Resource Teams in each Locality and supporting infrastructure (including the interim single point of access service);
- The opening of Ysbyty Aneurin Bevan in Blaenau Gwent 2010; and
- The impending opening of Ysbyty Ystrad Fawr in Caerphilly in 2011.

To maximise return from these substantial capital developments, the Health Board is focused on delivering the service modernisation set out in the Clinical Futures model in order to get the most of these facilities. For example, to realise the new service models that have been developed for these hospitals, there is an integrated programme to enhance capacity in primary and community services, and as such, a significant agenda of modernisation,

reform, investment and, where necessary. disinvestment, is under way in all Localities within the Health Board area.

In March 2008, the Clinical Futures Programme Board submitted an Outline Business Case for a new Specialist and Critical Care Centre (SCCC) which had been approved by the seven statutory organisations involved. As a result of the challenging financial climate, subsequent work has been carried out in 2010/2011 and 2011/2012 to assess whether the SCCC can be built with a more cost effective, design and construction in order to reduce the capital spend.

As a result, in March 2011, the Minister for Health and Social Services gave her support to the Health Board in completing the Outline Business Care so we can proceed to Final Business Care and consequent construction. This work will form a high priority for the Health Board in 2011/2012 and see further significant development toward the full implementation of the Clinical Futures Strategy.

———————————————————————

9. DELIVERING AGAINST OUR ORGANISATIONAL PRIORITIES IN 2011/2012

The Health Board's Five Year Framework and Annual Plan are aimed at ensuring that our service strategy set out in 'Our Healthy Future' and Clinical Futures are firmly embedded in the solutions to current pressures and targets. The following sets out a reminder of the main programme areas of work for the Health Board, as set out in our Five Year Framework to deliver our service strategy.

Safety, Excellence and Quality	Stop wasteful clinical interventions
	Achieve a 'no waste no unnecessary variation' culture for service delivery
	Develop quality improvement capacity at front line
	Inform and engage patients in their care and their role in its success, including benefits of smoking cessation prior to scheduled clinical intervention.
	Deliver the All Wales Cancer Targets
	Implementation of Stroke Pathway
Delivering Patient Centred Services	Setting the Direction (Frailty Programme – Implementation of Community Resource Teams)
	Develop new care settings and improve long term care pathway
	Improve quality of continuing health care through health and social care integration
	Reducing the use of bank and agency staff
Empowering our Staff	Establish service line management and patient-level costing
	Modernise the workforce
	Develop quality improvement capacity at front line; recognise and reward success
	Provide Board level leadership with clear expectations of staff
Achieve better use of resources	Develop a "get it right first time, every time" culture across the Health Board
	Improving acute care performance and reduced length of stay
	Medicines Management
	Develop a whole system unscheduled care service for the Health Board

	Matching whole system capacity to demand for scheduled care services
	Improve primary and community care performance
	Improve mental health service provision – delivering more care outside of hospitals. Aligning older people with mental health needs with Frailty Programme
	Improve procurement and supply chain
	Implement cross-system patient information and informatics (Clinical Communication Hub)
	Reduce length of stay
	Improve access
	Service Design
Improving our Public Health	Drive highest value prevention campaigns
	Maternity and newborn care services, implementing the recommendations made in the HIW Special Review and WAO)
	Health and Work/Sustainability Plans
	Health, Social Care and Wellbeing Strategies
	Community Strategies
	Children and Young People's Partnership Plans

Despite significant progress made in these areas in 2010/2011 as seen earlier, some major challenges remain within the Health Board, which feature in the 2011/2012 service plans and priorities. These include:

- delivering more care in community and primary care settings rather than within a hospital setting;
- strengthening the focus on case management of chronic conditions;
- sustained efforts to develop and implement partnership solutions for vulnerable groups including continuing healthcare, frail older people, children and young people and people with mental health problems;
- continuing to improve unscheduled care services and achievement of the four hour A&E and handover targets;
- delivering sustainable orthopaedic services;

- take further action to reduce hospital acquired infection rates and to achieve vaccination rates;
- continue to develop workforce plans which facilitate modernising the workforce to complement the changes in service provision;
- further work to deliver greater financial savings and cost effectiveness.

In terms of service changes and options for 2011/2012, the following sets out thirteen priority areas for this year required to progress our service strategy. The overall intention is to change the balance of the system of care we provide, with an increasing focus on shifting services strategically and operationally to the primary and community environment.

1. Public Health

'Our Healthy Future' sets out a comprehensive public health agenda for the Health Board and its partners to improve health outcomes reduce inequalities in health, maximise the potential of prevention and early intervention. The Health Board has developed a set of key targets that will be progressed during 2011/2012, they are:

- implement best practice in smoking cessation;
- prevent falls in older people;
- reduce the burden of alcohol misuse;
- improve health at work;
- effective management of vascular risk;
- reducing obesity;
- deliver on progress mad with vaccination and immunisation requirements.

Based on work undertaken including the development of the Health, Social Care and Well-Being Strategies and underpinning needs assessments, the Public Health Department is developing frameworks for the organisation to ensure that every member of staff can play their part in supporting the delivery of the Health Board's Public Health Strategy.

2. Setting the Direction

The Health Board is fully committed to the principles set out in "Setting the Direction" which is consistent with the strategic direction of the organisation as set out in the Clinical Futures Strategy. 2011/2012 marks a period of heightened effort to making significant strides in delivering:

- 12 Neighbourhood Care Networks led by GPs;
- Community Resource Teams (CRTs) in all Localities, aligned with, and supporting the delivery of whole system pathways for unscheduled care, chronic disease management and continuing health care;
- communications hub to support access to services, care co-ordination and directing patients to the most appropriate service to meet their clinical needs;
- improved patient flow by improving the hospital - community interface through the implementation of a Health Board wide "pull" system that minimises the number and length of hospital admissions;
- improved long term care and Continuing Healthcare arrangements;
- optimising the contribution of primary care contractor services to patient pathways through more effective integration of service planning and delivery.

The approach adopted by the Health Board is being delivered through robust partnership arrangements and joint working with the five Local Authorities and the Third Sector.

3. Unscheduled Care

Delivering sustainable unscheduled care services remains a key challenge for the Health Board. Considerable progress has been made identifying the components of the pathway and how they inter-relate and impact on each other, together with agreed plans to transform the system. During 2011/2012 the focus will be on implementing a whole system unscheduled care pathway that ensures patients access services that are proportionate to their need, for most in primary and community settings. Examples of the work programme include:

- same day access to primary care;
- clinical decision making support in Ambulance Control;
- reducing unnecessary ambulance conveyances to Emergency Departments;
- case management of Frequent Flyers;
- redesign Emergency Department clinical workforce, matching senior clinical workforce capacity with demand;
- strengthening operational links between locality CRTs and inpatient services to maximise patient flow.

The approach adopted by the Health Board is being delivered through robust partnership arrangements and joint working with

primary, community, secondary care clinicians and Welsh Ambulance Services Trust.

4. Mental Health and Learning Disabilities

During 2010/2011, Mental Health Services have delivered Crisis Resolution Home Treatment Teams across the Health Board area. The Health Board has undertaken a fundamental review of Mental Health Services, with service users, clinicians and key partners. This review is leading to new strategies to develop Integrated Health and Social Care Mental Health and Learning Disabilities Services, in partnership with services users and the Third Sector. During 2011/2012 this new strategic direction will be progressed by:

- publication and consultation on the Integrated Health and Social Care Mental Health and Learning Disability Strategies;
- development of joint plans to deliver the strategies;
- implementation of the Mental Health (Wales) Measure;
- establishment of locality based front line teams to implement the dementia action plan across the Health Board;
- develop and implement plans to further increase community based mental health services, and redesign of inpatient services;
- integration of mental health clinicians in Emergency Department workforce.
- The service will also move forward with service arrangements to respond to the new Mental Health measures.

5. Orthopaedics

Developing a sustainable service model for orthopaedics is a key priority for the Health Board and all Health Boards across the region. During 2010/2011 the Health Board has been actively engaged in a review of capacity and demand across the region, recognising that sustainable solutions will need to be developed on a local and regional basis in order to ensure that performance targets for NHS Wales are achieved. Within the Health Board, the focus of work for 2011/2012 will include:

- creating Day Case capacity to facilitate a higher throughput of elective case on a day case basis;
- delivery of South East Wales capacity and demand programme, to help develop and implement regional solution;
- review and redesign of the pathway for Fractured Neck of Femur service, to develop a ‘best in class’ model that address clinical and efficiency indicators;

- fully implementing the Musculoskeletal triage across the Health Board.

6. Cancer Services

Delivering high quality cancers services that deliver good clinical outcomes and improved survival rates is a key priority for the Health Board. During 2011/2012 work will focus on:

- implementing best practice in the treatment and rehabilitation options for patients with cancers, including improving patient tracking and ensuring improvements in multi-disciplinary working;
- work will continue to sustain and improve compliance for All Wales Cancer Standards;
- the achievement of access targets for cancer patients will remain a priority.

7. End of Life Care

The Health Board attaches the highest priority to delivery of excellent end of life care. During 2010/2011 there has been a significant expansion of Palliative Care Consultants to better match demand and capacity but moreover to enhance clinical leadership to transform end of life care for all. The focus during 2011/2012 include:

- implementing advanced care planning across primary and secondary care;
- CPD for primary care, improved education and training for health and social care staff;
- increasing the number of people dying in their place of choice;
- improved levels of service user satisfaction via “iWantGreatCare” questionnaires.

8. Family Services

i. Obstetric, Maternity and Neonatal Services

Maintaining safe and sustainable maternity and newborn care within the current configuration of hospital estate remains a challenge for the Health Board. In respect of neonatal care, this challenge is shared across the Region. The Health Board actively participates in the regional review of Neonatal Care and will work with partners to achieve sustainable solutions for the short, medium and long term. During 2011/2012 we will:

- develop the midwifery led unit model at Nevill Hall Hospital, to sit alongside the consultant-led Obstetric unit;
- continue implementation of 'Midwifery 2020 – Delivering Expectations';
- implement the recommendations of the Antenatal Review;
- deliver Consultant labour ward presence in line with RCOG guidance.
- implement 'Birth-rate Plus' and 'Midwifery 20:20';
- work with the All Wales Neonatal Network to develop plans to respond to 'Neonatal Capacity Review' (January 2011) and Neonatal Standards.

ii Children and Young People's Services

Building on achievements and in close partnership with our Local Authorities and the Third Sector, the 2011/14 Children and Young Peoples Plans have been developed and implementation will commence in April 2011. Key areas of work relating to children during 2011/2012 include:

- develop local targets and outcomes to support the delivery of CYPP targets;
- review requirements for the 'Acutely Ill Child' and address any shortfalls;
- opening and use of the new South Gwent Children's Centre
- Development of community focused children's services reducing reliance on acute hospital attendance
- engage in the 'Review of Paediatric Surgery' through the Paediatric Surgical Forum;
- review provision of respite care.

There are also specific challenges in relation to Child and Adolescent Mental Health Services that require specific attention during 2011/2012. These include:

- implementing a Forensic Tier 3 Virtual Team April 2011;
- developing robust transition services for all 16-18 years olds;
- implementing the Choice and Partnership Approach (CAPA);
- Child and Adolescent Learning Disability service (CALDs): to deliver the newly identified model in which the extended Tier 3 team will be supporting Tier 2 generic service.

9. Stroke Services

Consolidating and building on the excellent progress that the Health Board has made in transforming stroke services and delivering stroke targets will remain a key priority for 2011/2012. In particular:-

- Agreeing and developing plans to implement a Stroke Rehabilitation Pathway.
- 24/7 access to stroke thrombolysis.
- 100% of patients with TIA symptoms to have access to one stop investigation services within 24 hours.

10. Cardiac Services

The Health Board has made significant progress in 2010/2011 towards implementing its Five Year Cardiac Plan, significantly the appointment of two interventional cardiologists who will set up local elective PCI services at the Royal Gwent Hospital during 2011/2012. In addition cardiac services will:

- continue and strengthen joint primary/secondary care forums to support Continuous Professional Development and develop shared pathways for high volume cardiac conditions;
- redesign services to improve access and coverage of Cardiac Rehabilitation Services, particularly in Caerphilly locality;
- improve compliance with care bundles.

11. Reducing Waste, Variation and Harm

Within the original All Wales Five Year Framework "Delivering a Five-Year Service, Workforce and Financial Strategic Framework for NHS Wales", Welsh Assembly Government, June 2010, waste, harm and variation (WHV) reduction was envisaged as a methodology to improve quality, efficiency and deliver financial stability.

To realise this vision requires both a transactional as well as transformational approach. A transactional approach is required to ensure a driven and focussed financial and performance management agenda that will ensure successful delivery of the immediate NHS Wales agenda in 2011/2012.

During 2010/2011 the Health Board's WHV work stream has been working through the practicalities of turning clinically based WHV opportunities into actual quality improvements, savings, cost

containment or 'enabling' resource outcomes. Examples have included:

- commissioning improvements (e.g. improved Individual Patient Treatment and cross-border commissioning processes;
- implementation of the Stroke Integrated Care Pathway with demonstrable Length of Stay/ bed equivalent savings

During 2011/2012 consideration will be given to a number of issues, including some of those raised in the points above and in particular, the priority of this work going forward, including the time and resource balance between WHV reduction and more transactional work, and how best to dovetail the two. For 2011/2012, WHV priorities include:

- maximal implementation of the INNU policy;
- reduction in C-Difficile by 30%;
- reduce incidence of MRSA bloodstream infections;
- reduce cases of MSSA;
- reduce pressure sore rates.

WHV plans for Clinical Directorates, Divisions and Localities will relate to core business. For example, the Scheduled Care Annual Plan includes:

- delineation and implementation of a fractured neck of femur pathway;
- reduction in unnecessary imaging procedures (USS and low back MRI);
- improved efficiency of orthopaedic out patient follow up procedures/ virtual follow up where clinically appropriate;
- reducing procedures of limited clinical benefit (injection of none specific low back pain);
- identification and quantification of opportunities for further implementation of the Interventions Not Normally Undertaken policy within both Primary and Secondary Care;
- maximal implementation of the INNU policy for scheduled care.

12. Access and Referral to Treatment (RTT)

The Health Board places a high priority on achieving access targets and has a solid track record on delivery against these targets over time for the majority of our services. We recognise that we need to develop sustainable service models and during 2011/2012 the Health Board will:

- improve demand management, continuing to apply its policy on Interventions not Normally Undertaken (INNU) and implementing improved referral pathways;
- demand and capacity modelling linked with improved utilisation of outpatient and theatre resources, progressing toward “best in class”;
- developing sustainable services to reduce access times.

13. Development of the Specialist and Critical Care Centre and Local General Hospitals

As seen earlier, the Clinical Futures Strategy sets out plans to transform the delivery of healthcare for the people of Gwent and South Powys, through the expansion of primary and community based services supported by a network of Local General Hospitals providing routine hospital based care and the consolidation of specialist and critical care services on a single site, in a location that optimises access to the population served by the Health Board.

The first of these new generation Local General Hospitals, Ysbyty Aneurin Bevan opened in 2010 and work is underway to ensure maximum benefit from this investment. The second Local General Hospital, Ysbyty Ystrad Fawr, is on schedule to open in 2011/2012. Delivering the building to specification, cost and time is one of the key priorities for the Health Board during 2011/2012. A high priority will also be the completion of the Outline Business Care for the Specialist and Critical Care Centre, following the Minister’s continued support and commitment for this project.

The overarching expectation is about **re-balancing the system of care**. The Health Board is committed to achieving the benefits of a more wholistic approach to the planning and delivery of healthcare with the ultimate aim of rebalancing the system of care to ensure that patients receive the majority of healthcare in community settings.

Significant progress has been made during 2010/2011 with the introduction of Community Resource Teams; enhanced community based mental health services; and implementation of integrated pathways including stroke. However the organisation recognises that this represents the start of a journey and 2011/2012 will see renewed and heightened effort to increase the pace of change.

This will require a change to a whole system approach with shared goals, objectives and aims across primary, community and secondary care. The emphasis will be on strong interfaces between

different areas of service to enable smooth transition of care provision between services (health and social care) and the Third Sector.

The organisation will focus on building productive and equal partnerships across primary, community and secondary care utilising a number of approaches including:-

- The establishment and development of Neighbourhood care networks
- Increasing the opportunities for primary, community and secondary care clinicians to work together to plan and redesign service delivery, with particular focus on unscheduled care, orthopaedics and common clinical presentations.
- Developing integrated care pathways key priorities for 2011/2012 include diabetes, stroke rehabilitation and falls.
- Implementing the chronic obstructive pulmonary disease (COPD) clinical pathway.

Regional and National Developments

A number of service plans and priorities will continue to be influenced by, and influence directly work carried out in the regional and national arena. Work will continue with our Regional and National partners, including the Welsh Assembly Government, Trusts and Local Health Boards, in a number of areas including:

- impact of Review of Orthodontic Service provision;
- impact of Regional Orthopaedic Review;
- the National Pathology and Radiology Programmes
- development of Regional Head & Neck and Urology cancer services;
- development of Satellite Radiotherapy and Renal units;
- work with Clinical Networks;
- ICT developments;
- Shared Services programme.

In terms of service priorities for 2011/2012, **Annex 4** sets out a number of these priorities, set against the Clinical Futures model of care to highlight 'strategic fit' with further details available in supporting locality and divisional plans. **Annex 5** sets out the organisational objectives and lead responsibly as a result of setting these priorities.

———————————————————————

10. ANNUAL QUALITY FRAMEWORK

The Annual Quality Framework (AQF) for 2011/2012 seeks to establish services which promote sustainable change and improvement in the delivery of care for patients. The focus on quality, patient safety and user experience, and the promotion of clinical leadership and engagement allows more scope for local determination of key actions and priorities for the benefit of patients within a national framework.

The Health Board has been establishing a clear focus on improving the quality of services to patients and promoting evidence based care. This has involved ensuring quality and safety are the Health Board's priority and integrating improvement in both every day working and planning for future delivery. This has been supported with increasing focus on prevention and health promotion, providing greater emphasis on care taking place within local communities, and working in partnership both with partner organisations and with staff. The emphasis on quality, safety and effective staff engagement provide a more effective framework to deliver high quality care and cost effective services.

The AQF provides a further impetus to develop the Health Board's strategy and translate into effective delivery of future services. The AQF priorities are consistent with the Health Board's five focus areas which set the context for current and future priorities within the Five Year Framework, Annual Plan and AQF namely:

1.	Improve our Public Health	Eliminate inequalities in health status through partnership, ownership and empowerment.
2.	Focus on safety, excellence and quality	Best quality, evidence based clinical effectiveness, positive patient experience – first time, every time.
3.	Delivering Patient Centred Services	Taking every opportunity to organise services around the citizen and balancing our whole system of care.
4.	Empower our staff	Skill up and trust our workforce to deliver excellence.
5.	Achieve better use of resources	Reduce waste, harm and variation.

The focus on these five areas will allow the Health Board to target real sustainable improvements in progressing the AQF priorities.

The Health Board's priorities for 2011/2012 arising from the Annual Quality Framework, together with individual abstracts are detailed at **Annex 6**. They represent the key over-arching priorities in promoting the Health Board's approach in targeting improving patient safety and quality and should be read in conjunction with the key actions outlined in the abstracts.

These key actions reflect the specific requirements of the Annual Quality Framework and provide the key actions, measures and risks. These have been prepared within the Health Board's Divisions and Localities and have been subsequently refined into the key objectives detailed.

These actions provide an overview of the Health Board's priorities for 2011/2012, which together with the service development priorities, are incorporated into this Annual Plan. Further work is being undertaken to ensure that actions, measures and internal targets are reviewed and cross referenced to ensure they are coherent and are aligned appropriately. This cross-referencing and alignment will be of particular importance with regard to the Standards for Health Services. The Assembly Government has produced a document that maps the AQF against the Standards for Health Services but additional work will be required to ensure that the frameworks are comprehensively aligned.

There will be further internal consultation on data availability for measures within the control of the Health Board and refinement of measures and timescales during March 2011. Further discussions will also be required at a national level to ensure that national data collection processes complement local priorities, actions and measures.

The development of an Assurance Framework will be pursued to assess progress with key actions and to identify areas where further clarification and support may be required. This will include assessing whether internal processes for performance management and reporting arrangements need to be strengthened or adapted to maximise opportunities for delivery.

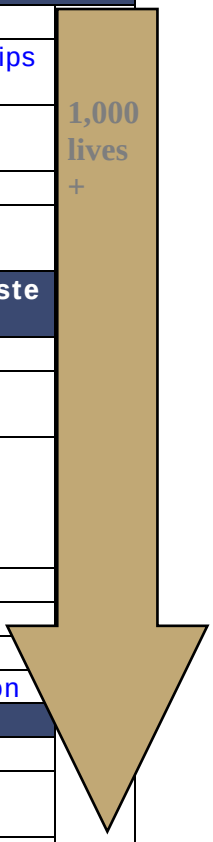
———————————————————————————

11. HIGH VALUE OPPORTUNITIES

The 14 high value opportunities for service improvement that will deliver efficiencies are shown in the table below with their associated National Programme where applicable. Each of these opportunities has an approximate waste reduction value, with the rate of reduction being dependant on the level of behavioural change required.

The traditional approach to financial control has been to concentrate mainly on areas such as medicines management, procurement and workforce (e.g. recruitment phasing and avoidance of unnecessary agency spends) rather than a transformational approach (addressing issues such as matching demand for referrals with capacity and reduction in length of stay).

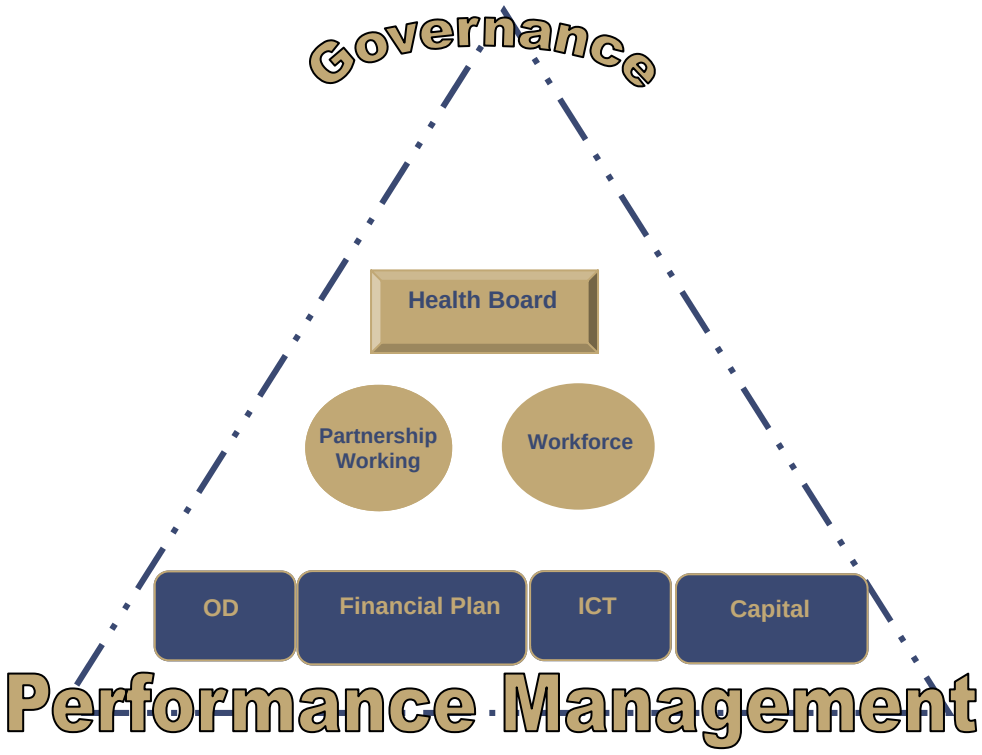
	14 High Value Opportunities	National Programme
Capture the opportunity of integrated care		
1	Develop new settings of care and improve long-term care pathways	Social Service Partnerships
2	Improve quality of continuing care through health and social care integration	Continuing Health Care
3	Develop improved unscheduled care pathways	Unscheduled Care
4	Implement cross-system patient information and informatics	Informatics
Improving quality and financial, sustainability by reducing harm, waste and variation		
5	Stop wasteful clinical interventions	
6	Improve acute care performance and decrease length of stay	Acute Care
7	Improve primary and community care performance	Long Term Conditions/Primary Care/Primary Care Assurance
8	Improve mental health service position	Mental Health
9	Manage medicines more effectively	Medicines management
10	Improve procurement and supply chain	
11	Drive highest-value prevention campaigns	Prevention and Promotion
Empower the front line		
12	Streamline and refocus the centre	
13	Establish service line management and patient-level costing	
14	Modernise the workforce	Workforce



The National Programmes are focusing on delivering these high value opportunities, with further detail provided in **Annex 7**. As programmes generate or identify best practice, their products will feed directly into the Health Board's Local Delivery Plans in an "adopt or justify" basis. The challenge for the Health Board is to implement this Five Year Framework locally.

12. MAKING IT HAPPEN

The Health Board is totally committed to the principle that quality and patient safety must be at the centre of delivery of health services, which are effective and deliver value for money. Our role is to create an organisational philosophy and culture based on performance improvement from Board Level to the operational frontline. We will make this happen by working with our staff and partners, using key enablers/supporting strategies within a performance management framework driven by clinical and organisational governance, as shown in the figure below.



The following sections set out how these underpinning and enabling strategies will support the delivery of our work programmes.

---

13. WORKFORCE

Introduction

The effective leadership, deployment and management of a skilled, motivated and engaged workforce delivering good quality, patient focused care within the resources available remains a key success factor underpinning the delivery of our Annual and future plans. This will require the balancing of a strategic and transformational agenda, which will deliver some immediate benefits but will increasingly deliver greater benefits within the five year framework. This is set against the need to continue to ensure effective short-term workforce planning and controls are in place to meet the immediate service and financial challenges.

Annual Quality Framework

This agenda is supported by the Annual Quality Framework, which requires that:

- workforce redesign, including improved productivity and efficiency supports the development of required service redesign such as enhanced community services;
- we invest in staff through training and development;
- engagement of the workforce, clinical leadership and empowerment of frontline staff to deliver patient expectations and clinical outcomes that are nationally driven, locally owned;
- focus on the development of intelligence and information related to the workforce to support more effective deployment of staff to meet the changing needs of the service, such as e-rostering;
- continue to deliver the local sickness and absenteeism trajectories which include back-to-work initiatives;
- continue to work towards achieving the Platinum Corporate Health Standard by 2013;
- agree health and safety intervention plans with the Health and Safety Executive by September 2011;
- improve the Health and Safety competence at Board level;
- respond to Health and Safety audits within agreed timescales.

Core to the delivery of this strategy and the empowerment of staff will be an adherence to NHS Wales and Health Board values.

At strategic level, the Health Board will continue to implement its Organisational Development Strategy, this focuses on ensuring that staff and process are aligned to delivering high quality care. There

are a number of key aspects of this strategy, which will be delivered throughout this year:

Clinical Leadership

The Health Board has identified effective Clinical Leadership, at all levels and across all sectors of the organisation, as vital to the delivery of safe and effective health services and this is reflected in our current organisational structure and will be further strengthened through the establishment of Neighbourhood Care Networks. During this year, we will be building further our leadership capacity and capability. Quality and continuous improvement remains a key priority for 2011/2012 and the Health Board is both developing and participating in local and nationally sponsored programmes to enhance clinical leadership. This will give clinicians the tools and techniques to ensure local leadership and ownership for the delivery of change.

These programmes emphasise clinical leadership within the context of an integrated Leadership model. Middle and first line managers who are critical in terms of operational delivery are provided with the appropriate knowledge and skills for service improvement to enable them to act on their new learning. This will include full engagement with, and application of the lessons from the 1,000 Lives Plus programme across the organisation to secure the gains in better patient health outcomes, better patient experience and better use of resources.

In addition, guidance has been developed to support specific areas such as Consultant Job Planning and this will be rolled out to cover other Doctors and we will be working with Divisions to ensure appropriate support is given to Clinicians in their management roles.

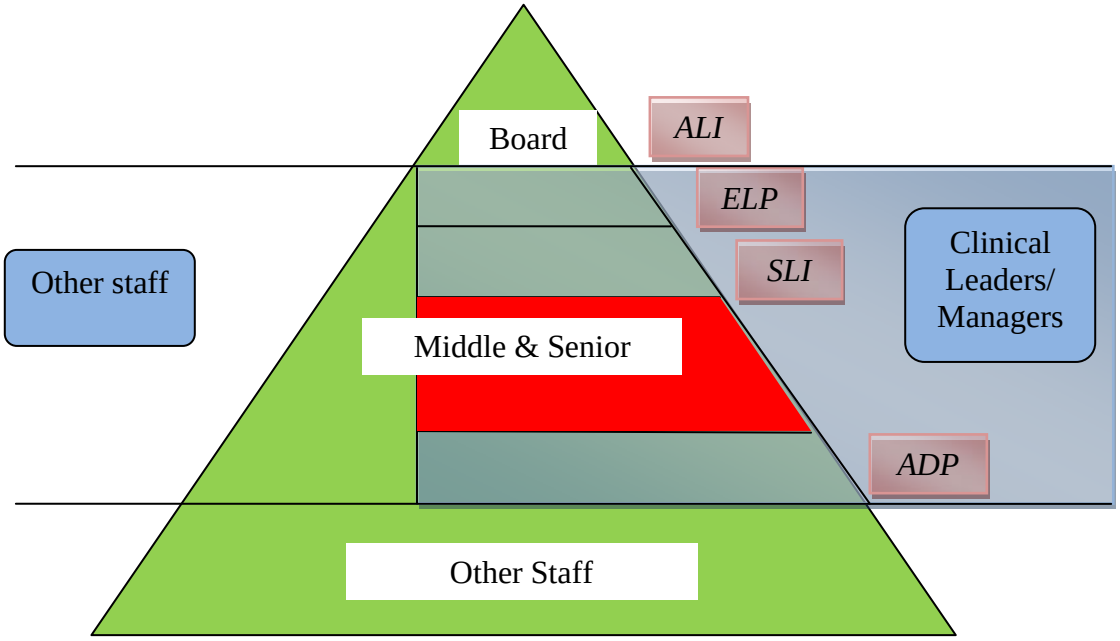
The Health Board is working collaboratively with NHS Wales to develop an all Wales Framework for managers and clinical leaders. This framework describes the multi-professional minimum core skills and behaviours required for those who lead and manage others within NHS Wales. It provides a mechanism to support the development of middle and senior level staff. It includes a range of programmes delivered both nationally and locally and can be seen illustratively in the diagram below:

National programmes including those accessing the Talent Pools are:

- Advanced Development Programme (ADP) - fast-track entry for graduates;
- Senior Leadership Initiative (SLI) – next step Assistant Director;
- Enhanced Leadership Programme (ELP) – next step Director;
- Advanced Leadership Initiative (ALI) – next step Chief Executive.

Local programmes to enhance skills and capacity including:

- Leading for Quality and Improvement;
- Vital Signs 1 & 2 (including Free to Lead, Free to Care);
- Institute of Leadership & Management Programmes (Levels 2,3 & 5);
- Project Management, Financial Management & Service Improvement Skills for Delivery.



Management Skills and Capacity

In addition to the framework set out above, the skill set of leaders, managers and clinicians will continue to be developed in a number of ways:

- the Health Board's Aston Team Based Working approach: initial rollout of the Team Working approach has been positively received as focussing on better team focus and performance with 32 teams having been supported to date. The second stage implementation commences in May 2011 with 9 further teams;
- the use of 360-degree appraisal and bespoke leadership and management skills programmes, including project management,

service improvement, change management and financial management skills for service line reporting;
- ensuring all Managers engage fully in effective skills and performance appraisal with their staff;
- the Health Board will also be developing further the opportunities for integrated management training (such as the Torfaen Management Development programme) with Local Authority and other partner organisations.

Workforce skills and capacity

The skills and capacity of the workforce will be developed in a range of ways:

i. Knowledge and Skills Framework (KSF)

On an individual level, the full implementation of the KSF linked to competency based job descriptions and personal development reviews will enable each member of staff to contribute to the delivery of care in a way, which ensures the most, is achieved from every job role and staff are developed to their full potential.

ii. Individual Performance Management

The use of the KSF as a skills and personal development tool must be embedded in a consistent and robust individual performance management framework to ensure that the efforts of individual staff and managers are in line with the plans and priorities of the organisation and that staff are being supported to work fully to the job role to which they have been appointed. There will be an increasing emphasis on ensuring that all staff are appraised during the year – the development of more effective electronic recording tools will support increasingly effective monitoring and intervention where gaps are identified.

iii. Team Working

Inherent in the concept of team working is the need to involve all staff within that team. The Aston Team working approach will enable staff to be engaged in and understand their role within their team (or teams) and to empower them to take ownership for improvement and the patient experience within that setting.

iv. Improvement tools methodologies

Over the forthcoming year, we will continue to develop a range of improvement tools that will enable staff working in their teams to have the tools, techniques and support to work out effective solutions and improvements locally – this will build on the methodologies already working successfully within 1000 Lives Plus. The Health Board is working with NLIAH to identify the tools and techniques to enable teams and individuals. Locally we will identify key service areas where this approach can be supported and develop ways in which the outcomes, learning and best practice can be identified, shared and rolled out.

Education and Training

Education both Medical and Non Medical remains a core business for the Health Board with a clear commitment to ensuring sustainable improvements in education and training, aiming to enhance recruitment and retention and also raising the external profile of the Board by providing practise placements to undergraduate students from a number of universities and education programmes. The Board also places a strong emphasis on providing Continuous Professional Development programmes for staff.

The Gwent Clinical School continues to deliver education at both undergraduate and postgraduate levels and remains closely affiliated with Cardiff University. The Health Board's focus on developing integrated care has presented an opportunity for the development of the primary and secondary care interface through combined educational activity.

We are working closely with Cardiff University to support a range of joint appointments between the University and Health Board. Educational facilities within the four Education Centres are undergoing a programme of development to meet educational requirements across the Board and to allow educational activity to be facilitated from within the Health Board. We will continue to work closely with the Wales Deanery and implement the required standards for training.

In addition, the Health Board will continue to focus on the delivery of Statutory and Mandatory training for staff – we will continue to look for the most appropriate ways to deliver this training to different groups of staff and to explore how the continued development of existing e-systems (Electronic Staff Record) can

support managers in ensuring that all staff have access to and are fully compliant with statutory and mandatory training requirements.

Workforce Modernisation

Over the next year the Health Board will continue to review the skill mix across its workforce to ensure that roles are undertaken at the most effective level and that all staff are working to the criteria within the profile for their A4C roles. This will also include the continued development of extended roles, to meet service needs. To enable flexibility within the workforce to be enhanced we will be looking for opportunities to provide shortened and targeted skills based courses to existing staff to enable them to build on existing skills to deliver different roles – e.g. neonatology.

The Health Board has already led the way in the development of a number of new and extended roles. These include: Rehabilitation Assistants in RGH; Support Time and Recovery Worker roles; Specialist support workers; Home Alcohol Detoxification Nurse (GSSMS); and recently a range of Support Worker Roles, including integrated roles across Health and Social Care. The Health Board has played a leading role across Wales in developing the new Healthcare Support Worker Codes of Practice a successful competency based Support Worker and band 5 Induction programme has been pioneered. These has been published and identified as best practice within NHS Wales.

Building on this work other planned role changes include:

- redesign of workforce model in A&E;
- development of physiology lead direct access clinics e.g. Audiology, Cardiology;
- development of Assistant Practitioner roles e.g. Radiology, Pathology, Dietetics;
- development of Health Care Support Workers within Theatres training to act as Scrub Practitioners within “predictable outcome” surgery;
- development of Nursing roles to provide and support rapid response and Hospital at home seven days a week;
- extended roles of Pharmacy Technicians to support PODS system;
- review of District Nursing;
- increasing integration of elements of Mental Health Services with Social Services will see changes in team structures;

- introduction of Assistant Psychologists as part of the development of a wider Multi-disciplinary team working within Residential Services;
- development of increased prescribing by podiatrists;
- review of skill mix within School Nurses in main stream schools;
- development of Specialist Nurse Roles e.g. Colposcopy.

The Health Board's targeted programme of medical workforce modernisation will further strengthen job planning aligned to service priorities, ensuring on-going improvements to patient safety and quality, underpinned by key productivity and efficiency targets and an incremental shift to consultant delivered services and increased senior clinician decision making during the busiest periods of the day and working week. Strengthening of the H@N clinical staffing model across the main acute sites will seek to support and ease the pressures associated with EWTD and current levels of reliance on temporary medical staff, embracing role substitution and `shared' generic rosters, particularly in areas experiencing difficulties recruiting suitably skilled and experienced staff.

Workforce Planning

The profile, deployment and skill mix of our workforce are key and fundamental elements of the services we provide. As our most valuable resource in terms of delivery and investment, the coming year will see increased levels of monitoring and scrutiny to ensure that maximum effectiveness (in terms of clinical quality & patient experience) and efficiency (in terms of right person at right place and skill mix working at the expected level) is delivered through our staffing structures.

The Health Board will progress the development of its five-year workforce plan and overarching modernisation strategy to ensure sustainable and affordable workforce arrangements, fully integrated with the service and financial planning framework. As part of this detailed workforce plans will support the service and financial plans for the coming year. The Health Board recently undertook a pilot workforce simulation exercise on behalf of NHS Wales. Building on feedback and learning from this event we will develop a Local Simulation support programme, which will be extended throughout the Health Board to further develop the workforce planning skills within the organisation. This will be achieved through the utilisation of Workforce Modernisation enabling tools and resources.

To meet the challenges set out in the Annual Plan we require evidence-based innovative solutions to challenge existing ways of

working; we need to ensure these are evidence based and show best practise along the patient journey. The Health Board will also be building on existing workforce partnerships to ensure increased integration between health, local authority and `third sector' voluntary services.

Partnership Working

Good partnership working with staff side organisations and staff in general is key to delivering both the strategic and operational agenda. We will continue to develop the Partnership Working Model within Aneurin Bevan focusing on the development of structures and processes that embed effective partnerships. The Health Board acknowledges that there remain development needs among some managers we will be reviewing progress to date and rolling out further training in partnership where skills gaps are identified.

Employee Well-Being & Workplace Health

The Health Board is delivering its action plan to take to meet the Gold Corporate Health Standard and to work towards the Platinum award. It supports workplace health through a range of activities monitored through the Health and Work Steering Group. The Employee Well-Being Service is already available to support staff across the Health Board in a variety of ways, offering advice on promoting well-being as well as support at difficult times. The interventions are evidence based and entirely confidential. They include:

- Staff Counselling: A confidential self referral service for mild to moderate problems;
- Confidential Contact Service: for staff who are experiencing, witnessing or being accused of bullying at work;
- Team Debriefing: Team support after unexpected and difficult events;
- Support for Managers: Developmental and networking opportunities;
- Well-Being Audits: Approaches to profiling employee well-being;
- Notice Board Network and Employee Well-Being Newsletter.

Operational Priorities

i. Ysbyty Ystrad Fawr and the Specialist and Critical Care Centre

At an operational level, the Health Board will ensure in 2011/2012 that the workforce models for YYF and other service developments are finalised and robust implementation plans developed to ensure the facilities are open and functioning on time.

ii. Frailty

At the same time the Health Board will be a key partner in completing the implementation of the Frailty Model within localities, which presents a number of challenges including the appointment to, and management of, an integrated health and social care workforce at community level across Gwent. To achieve this the Health Board will continue to build on the close operational working relationships built across sectors and ensure that we continue to work together to develop new and innovative roles to deliver care as close to the home as possible, while ensuring that staff undertaking all roles are competent, safe and effectively managed.

Both the opening the new Hospital and the implementation of the Frailty Model will impact on staff across the Health Board as we move services from one area to another. To date acute sector staff in some areas have already been asked whether they want to move to a different location and/or role and this approach will be used to facilitate the movement of staff into different roles and locations on a voluntary basis wherever possible. The Health Board will be working locally and with provider partners to identify the most effective way to meet skills gaps and support staff in new roles to build on their existing skills to undertake different types of roles across the whole health community. The workforce will need to be fully supported during the transfer process to minimise disruption to services and to ensure a well-motivated and well functioning workforce for the new sites.

iii. Contractual Flexibilities

Emerging from service and workforce plans is the need to ensure both extended hours of access and increased flexibility around point of service delivery. To support this, the operational workforce agenda will include work to review the type and range of contracts we issue and to maximise the flexibilities of existing Agenda for Change contracts. In addition to meet peaks and troughs in demand we will be reviewing the scope for the full range of flexible workforce options such as Bank staff, annualised hours contracts.

The abolition of the default retirement age and forthcoming changes in pension provisions also mean that we, like most other employers,

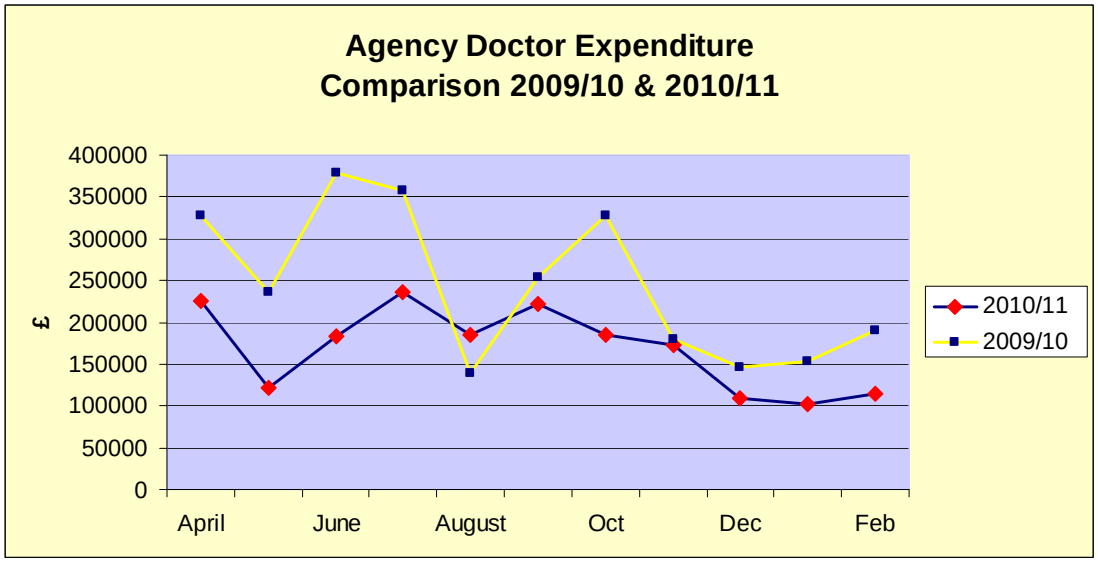
will be reviewing the options available to staff in terms of flexible working options as they reach the end of their careers. As yet it is difficult to predict how the changes will impact on staff leaving the service, which is both a risk and an opportunity around workforce planning.

iv. Workforce controls

As our major resource, the workforce also represents the majority of the cost for the organisation. Although the workforce faces major transformational change over the period of the five-year plans, the impact of those changes will toward years 4 and 5 with a lesser impact in years 1-3. That being so and faced with the current financial forecast, the focus on controlling pay bill and workforce costs will remain key over the next two to three years. The first priority is to maintain the year end run rate in respect of workforce costs going into next year. The Executive Team and Board have agreed the following workforce controls, which will help shape and influence the emerging services plans:

- targeted reduction in overtime and other additional hours;
- 0% agency usage;
- targeted reduction in recruitment;
- 4.0% maximum sickness absence;
- 20% reduction in management costs over the next 3 years.

The programme of reduction in temporary medical staffing expenditure will continue to be a major focus, the success of 2010/2011 underpinned by improved recruitment and retention, strengthening escalation and authorisation processes (assessing locum need versus clinical risk), weekly scrutiny and the continual review of medical establishments and roster practice."



In line with the need to reduce management costs and achieve a 20% reduction in savings associated with this particular staff group by 2013/14, the Health Board is reviewing the effectiveness of current structures. This will facilitate the identification of role duplication, gaps in capacity and barriers to the use of newly acquired skills and knowledge to bring about service improvement and modernisation.

There are currently 445.85 WTE managers including clinical managers at 8a and above. A number of staff in this group may be classed as purely clinical and as such, it is anticipated that of this in management terms the number is closer to 360 WTE. Based on this number to achieve a 20% reduction in management costs would require a reduction of 72 WTE posts. Focussing on overall administrative and clerical would still mean a reduction of over 32 WTE posts, however, to achieve savings on this scale the organisation will need to consider a whole system change. It is important to note that not included in these figures are medical management costs, which will be part of the benchmark for the 20% management cost reduction. This will also include consultant sessions not just the identified clinical leadership and management roles.

In addition, the health and wellbeing of staff will be a focus in building resilience, preventing sickness and maximising attendance at work. This will be achieved through proactive staff management, health initiatives and engagement of the workforce in partnership in the delivery of the organisational agenda. A robust Communication Strategy and the development of a set of skills that enhance resilience and the ability to manage and lead in times of austerity will also be developed to support this agenda.

v. Move to shared services

As from 1st April this year a number of transactional workforce functions including payroll and recruitment will be managed in a shared services environment. A priority for this period of time will be to support existing staff into this new environment and to develop structures and processes within the Health Board to ensure that service provision is optimised while risk to the Health Board is minimised.

vi. E-workforce systems

To minimise support costs and optimise the information and tools available to managers to help them to manage their staff work will

continue on a number of e-projects. The e-expenses system will continue to be implemented across the Health Board and the business case benefits realised. In addition, the further roll out of the Electronic Staff Record and roll out of a wide area of functionality to managers, the purchase and implementation of an E-Rostering system and other complimentary electronic workforce systems will further enhance the accuracy and timeliness of workforce information for managers. These initiatives will ease the monitoring of workforce activity and enable the Health Board to increase its scrutiny of workforce management and support the improvement agenda. There will also be supporting work, which is already underway to firm up establishments across the Health Board.

vii. Workforce Structures, Policies, Procedures and Process

As the organisation moves forward it is important that the organisational infrastructure provides the sound foundations to support service delivery. The Health Board will ensure that its structures, policies, procedures and practices are reviewed to reflect best practice and changes in legislation and to ensure they enable rather than block managers and staff in achieving the outcomes we have set. Structures will be reviewed as All Wales strategies such as “Setting the Direction” are implemented, to ensure that we have streamlined and clear accountabilities throughout the organisation. The ongoing programme of review of policies and procedures will continue to ensure they remain up to date and fit for purpose.

Change Management

The work programme outlined above, both strategic and shorter term, gives the Health Board a major change management agenda and we have put in place a number of strategies and interventions to ensure that we have the capacity and capability at all levels within the organisation to deal with it. Key will be the development of the right culture to ensure we have the behaviours from staff at all levels to support the quality, patient focused outcomes we want – and to enable that we need to ensure Leadership and Management capacity and capability are in place as outlined above. Effective Team working means empowered staff that are deployed effectively and given the right tools, techniques and organisational infrastructure to deliver. It will be vital to embed Partnership working at all levels both inside the Health Board and externally to make sure that our staff and service users understand and contribute to the change. However, it is equally as important to ensure that good HR practices and policies are in place and

appropriate professional support available to managers and staff to facilitate the changes process.

_____

14. FINANCE

The following outlines the current assessment of the financial challenge for 2011/2012, refined and revised for the most up to date information (including the Welsh Assembly Government's Allocation Letter), and in light of the improved run rates seen in the Health Board over the past few months of 2010/2011. This takes account of the following:-

- the recurrent underlying position carried forward from 2010/2011;
- an updated assessment of 2011/2012 cost base increases;
- a robust analysis of the 2011/2012 service developments and local pressures;
- the impact of the Allocation Letter.

This position is translated across budget areas, providing a clear estimate of the resulting requirement for budget holders to deliver a balanced budget position. The budget setting approaches with clear lines of responsibility and accountability for delivery, before the commencement of the financial year.

Financial Challenge 2011/2012

The initial work on fully assessing the financial challenge for the Health Board for 2011/2012 was undertaken in September/October 2010 and described a number of scenarios reflecting the uncertainty around the impact of the allocation to be set by the Welsh Assembly Government. The recently issued Allocation Letter has confirmed that the impact for revenue is of a 'flat cash' nature. For capital however, the expectation is that there will be a significant downward trend in the level of funding made available.

The following table highlights the initial scenarios, updated for the change in the underlying financial position reported in the M7 Monthly Monitoring Returns from £26m to £31m:

	From ---------- To Based on potential allocation impacts of:-			
	0% **£m**	-1% **£m**	-2% **£m**	-3% **£m**
Updated recurring position from 2010/11	31.0	31.0	31.0	31.0
Estimated cost base increase	32.7	32.7	32.7	32.7
Service developments & local issues	5.4	5.4	5.4	5.4
Allocation impact	0.0	9.5	19.0	28.5
Range	**69.1**	**78.6**	**88.1**	**97.6**
%age of TOTAL allocation	7.3%	8.3%	9.3%	10.3%

The above table at flat cash therefore highlighted an initial estimate of a £69.1m deficit gap or 7.4% of total allocation for the forthcoming financial year. The analysis below describes a scenario which reflects a revised estimate of £61.36m:

	£m
Updated recurring position from 2010/11	28.85
Estimated cost base increase	27.37
Service developments & local issues	5.14
Allocation impact - flat cash	0.00
Range	**61.36**
%age of TOTAL allocation	6.46%

In order to assess the robustness of the above £69.1m, all elements needed significant review and potential revision. The approach taken was as follows:

- For the recurrent underlying deficit: this was done via the Business Partner Accountants assessing and updating their underlying 2011/2012 positions, adjusting specifically for the following:

  - non recurring issues;
  - the FYE of 2010/2011 saving schemes;
  - the impact of any Invest to Save schemes;
  - costs associated with any non recurring funding issues;
  - the FYE of any other recurrent issues.

  There has been a further request from the Welsh Assembly Government to provide a reconciliation of the underlying deficit. This was slightly different in its approach and required some further analysis of 2010/2011 non recurrent allocations in order to ensure a consistent approach in assumptions across all Localities and Divisions.

- For the 2011/2012 cost base movements and service developments: this was initially based on a set of planning assumptions agreed nationally by the All Wales Financial Modelling Sub-group of DoFs. Business Partner Accountants and the Financial Planning Department within the Health Board reviewed the impact of these assumptions in light of local intelligence and knowledge on past trends and future growth. Comparisons were made across Wales to identify outlying areas, which were in turn reviewed again. From June 2010 to February

2011 several iterations of this process were undertaken, using best available data.

Underlying Deficit

As per the table above, the current underlying forecast outturn for 2010/2011 (i.e. before any non recurring revenue support from the Welsh Assembly Government in the current financial year) is £31m. This has been consistently reported as such since the updating of the 2010/2011 forecast within the M07 monthly monitoring returns.

Recent monthly run rates for the Health Board however have shown a significant improvement, with each of the last four months improving on the last. The underlying run rate for M10 was £1.4m, and for M11 (after allowing for a small number of non recurring gains in this month) is broadly similar. The following table summarises the monthly financial position and trends seen since M4:

	Actual reported run rate							
	M4 £000	M5 £000	M6 £000	M7 £000	M8 £000	M9 £000	M10 £000	M11 £000
Delegated budgets reported financial position	18,228	21,798	25,723	29,651	32,617	35,253	37,938	39,678
Movement in delegated budgets	0	3,571	3,925	3,927	2,922	2,682	2,684	1,696
Contingency and reserve	-4,047	-5,172	-6,740	-8,322	-9,435	-10,432	-11,716	-12,435
Total reported financial position	**14,181**	**16,626**	**18,983**	**21,329**	**23,182**	**24,821**	**26,222**	**27,243**
Movement in reported financial position	**2,236**	**2,446**	**2,357**	**2,347**	**1,853**	**1,639**	**1,401**	**1,021**

Two methods were used to assess the underlying deficit as follows:

- Firstly, an average run rate based on the last four months actual, and M12 anticipated, variances was taken and adjusted for the effect of some 2010/2011 additional non recurrent issues. This outlined a £28.85m underlying deficit, and this has been submitted to the Welsh Assembly Government following a recent request for Health Boards in Wales to provide details of their underlying recurring financial positions. The make up of this is detailed below:

	£m
Underlying Run Rate Average	24.00
Non recurring effect of WHSSC savings schemes	2.70
CHC - reduction in 2nd tranche funding	0.30
YAB - FYE of 10/11 costs	0.20
School Health Nursing costs	0.40
Non recurring effect of VAT reclaim	0.40
Non recurring effect of new hospital developments	0.50
Effect of non receipt of Lucentis funding	0.35
WAG Submission	**28.85**

- This was then tested against an analysis undertaken by Divisions and Localities, which had resulted in a higher potential £38.2m position being outlined. The results of this analysis are set out in the table below, which assesses this position against both the above £28.85m submission (translated across Divisions, Localities and Corporate Departments based on the above submission – by the five month average run rate adjusted specifically as described in the table above) and the current 2010/2011 forecast outturn position.

	2010/11 Forecast Outturn £000's	2011/12 Underlying Initial Returns £000's	2011/12 Based on WAG Submission £000's
Localities:-			
Blaenau Gwent	1,461	1,951	1,271
Caerphilly	4,578	5,375	5,141
Monmouth	1,543	1,708	1,151
Newport	4,484	4,334	3,922
Torfaen	4,372	4,051	3,809
Mental Health	13,232	13,110	12,457
Operational Divisions:-			
Scheduled care	3,065	3,252	537
Unscheduled care	5,664	5,728	4,815
Family & therapies	3,064	4,541	1,676
Facilities	805	1,162	-200
Corporate budgets:-			
Finance	-300	0	161
Personnel	-31	0	-79
Nurse Director	242	210	310
Medical Director	118	488	266
Chief Exec	-100	0	-218
Planning Director	495	845	535
Performance Director	-25	0	41
Therapies Director	104	104	62
Board Secretary	251	221	386
Externally provided services	1,207	4,794	3,934
Capital charges	0	0	0
Delegated underlying deficit 2011/12	**44,229**	**51,874**	**39,977**
Contingency and Reserves	-12,882	-13,723	-11,127
Total underlying deficit 2011/12	**31,347**	**38,151**	**28,850**

The £38.2m analysis would suggest a significant deterioration in the improved run rates seen month on month for the last 4 months, which would not be in line with recent improvement. Key to scrutinizing this suggested reversal in the trend will be reviewing how these figures are supported by detailed savings plans within the Divisions and Localities. These need to link through to the Health Board's budget setting process, where clear lines of accountability for budget holders need to be understood and recognised, resulting in the management of expenditure, the monitoring of variances, and the requirement to undertake corrective action where appropriate. This should then result in a balanced financial position. Further detail on the budget setting process and principles to be adopted are discussed later.

Clearly, therefore, the next stage in assessing this element of the Health Board's financial gap is to ensure the robust translation of the £28.85m across it's Divisions and Localities. Work within these teams should be ongoing to refine and substantiate these positions. This will be key in, as a minimum, maintaining the current run rate as we move through to the early months of the new financial year.

Expected movements in Health Board's cost base – Estimated NFA cost pressures

Planning assumptions and process – May 2010

Initial scoping work undertaken within the Health Board in May 2010 indicated that a 4% increase in the underlying cost base could result in an underlying cost base movement in 2011/2012 of £34m.

This financial gap was clearly an estimate at the time, using past trend analysis and global assumptions regarding expected general growth. It was intended as only an initial indicator of the size of gap that could be expected.

Planning assumptions and process – September 2010

In August 2010, through All Wales Directors of Finance, an initial more detailed assessment of the likely cost impact in 2011/2012 of a range of issues was undertaken. The All Wales Group, together with Welsh Assembly Government Finance Representatives, agreed a set of planning assumptions on a wide range of issues that are considered nationally to be material, universal and unavoidable. These are cost increases that will be incurred without any other additional benefit in terms of additional activity.

The items included in this estimate of cost base movements are:

- pay award and other pay issues ;
- non pay inflation, plus a full year impact of the VAT increase to 20% from 1 January 2011;
- NICE technologies, mostly impacting on drugs spend;
- primary care drugs prescribing – inflation, demand and activity pressures;
- continuing Health Care;
- statutory compliance;
- cost pressures in relation to the provision of specialist services, through our financial contribution to WHSSC.

Following agreement on the above, and the planning assumptions that could inform cost base movement calculations, the Health Board undertook an initial local assessment of the likely additional costs for each of the above for 2011/2012. This was undertaken in September 2010 and produced an estimated gap of £32.7m.

It should be stressed therefore, that this local work is very much not the "all Wales average" assessment of such costs, but a much more robust local assessment of the potential movement in the Health Board's cost base for the coming year. At September 2010 this ran in the region of between 0.5% and 1% less than the All Wales average assessment across these areas.

Planning assumptions and process – February 2010

A final review of the above was planned to be undertaken following the receipt of the Welsh Assembly Government's Allocation Letter. This would allow for this financial outlook for 2011/2012 to be refined and revised for the most up to date information, as greater certainty about cost movements is known. The timing of this update of the 2011/2012 financial gap was crucial in relation to:

- updating the budget holders as to the size of the challenge to be reflected in their local services and workforce plans;
- translating the final integrated service and workforce plans into the Financial Plan, and informing the setting of budgets for 2011/2012.

Following the receipt of the Allocation Letter at the end of February 2011, together with collation of 2010/2011 third quarter actual data and future horizon scanning, the revised position for the 2011/2012 financial pressure is **£27.4m**.

A summary of the various iterations of this work is provided in the table below:

	June 2010 estimation of gap £m	Sept 2010 estimation of gap £m	Feb 2011 estimation of gap £m
Pay - residual pay award plus additional NI	5.8	3.7	3.7
Non pay inflation	1.4	3.5	3.5
NICE	3.5	4.0	6.5
Primary care drug prescribing	4.5	8.2	4.8
CHC	13.4	8.0	5.1
VAT increase	2.4	2.3	1.8
Statutory compliance	1.0	1.8	0.8
Specialist services	2.0	1.2	1.2
Total	**34.0**	**32.7**	**27.4**

Expected movements in the Health Board's cost base – Estimated Local cost pressures

There will also be a further range of "local" cost pressures and increases that will also need to be recognised in the planning process for the coming year. The finance team have worked closely with clinical and management teams to ensure that all of the local financial pressures facing the Health Board are covered off within the overall financial planning assumptions for the coming year. These costs will be updated as clinical models and project plans are developed and refined. Plans are also being fully developed to mitigate these cost pressures.

The table below details those local cost pressures included in this cost base movement estimate for 2011/2012.

Local Issue	Estimated Gap Sept 2010 £m	Evidence base	Estimated Gap Feb 2011 £m	Evidence base - revised Feb 2011
YAB	0.760	Full year effect of any residual financial gap	0.729	Tredegar Hospital has not closed on time but other costs revised to offset
YYF	0.745	This comes on stream in 2011/12	0.745	
Children's Centre	0.334	Full year effect of any residual financial gap	0.334	
North Resource Centre			0.166	Double running costs in YYF in last quarter as Redwood not closing until Centre is open
Additional AQF targets	1.395		0.000	
External contracts - LTAs / SLAs	1.000	Mainly driven by PHW appraisal of NICE approvals and impact on cancer drugs at Velindre	2.000	Updated PHW final assessment and forecast
Revenue consequences of capital schemes	0.740	Capital charges implications based on ABHB capital programme	0.740	
Other local pressures	0.426		0.426	
Total Local cost pressures	**5.400**		**5.140**	

In September 2010, there was a lack of clarity concerning some areas, due to it being so early in the financial year. Therefore, it was felt prudent to estimate the likely total cost of such issues in total would be in the region of 1% of HCHS spend, that is circa £5.4m for the Health Board.

In February 2011, this has been updated to £5.140m in light of the updated forecast from PHW regarding the use of NICE drugs at Velindre, service development updates and also the AQF requirements.

When compared across Wales the estimated cost base movement for local issues in the Health Board is comparable to the All Wales comparator.

Expected movements in the Health Board's cost base – Risk Assessment

As set out above, the assessment of the cost movement of each cost base area is based on the best data available, and in some cases, horizon scanning. In the earlier part of 2010, a number of informed assumptions had to be made as clearly less certainty about future costs would have been known at this stage. However, even as of now, there remain a number of risks attached to some of the estimates, as set out below:

- Pay - The pay uplift was announced by the previous Government and confirmed in the July 2010 Emergency budget. However we have yet to receive confirmation from the Welsh Assembly Government that this uplift should be recognised by the NHS. Clearly, depending on the decision by the Welsh Assembly Government this cost movement estimate could improve or

worsen. Also, the current estimation is based on the staff in post in month 5, however these numbers may change by April 2011. A review of this calculation will be performed following the final payroll in March 2011.

- Non pay and VAT – these estimates are based on past spend which may not be reflective of future procurements.

- CHC – the forecast has been calculated based on a degree of certainty regarding expected growth and service provision, but this cannot be guaranteed.

- Prescribing – this forecast has been based on comparing trends on items dispensed and prices charged. This may not be reflective of future spend or uptake. It also took into account future exclusivity and expected reduced prices, but assumptions had to be made on the percentages applied, which although based on robust models cannot be guaranteed.

- NICE drugs – a thorough review of the approved NICE and AWMSG drugs has been made by experts in Public Health Wales, Cancer networks and local clinicians. However, assumptions had to be made regarding the likely incidence and prevalence, together with expected uptake. A number of approvals for 2011/2012 are also due in the next couple of months, and therefore an estimated impact of these approvals has also had to be made.

- LTAs - A number of the high cost drugs are also related to activity at Velindre. We are currently awaiting a forecast from the Trust of the likely cost impact of new drugs in 2011/2012. Based on the information from PHW an estimation of nearly £2m has been included.

- Developments – these involve significant transfers of services internally and externally, with inherent risks attached to such changes in service provision.

- AQF – There are currently some significant risks in meeting current targets for orthopaedics in the Health Board. This may suggest that increased costs may need to be incurred to reach and maintain targets in 2011/2012. These risks will need to be managed to ensure they are delivered within existing resources.

- Allocations – The Financial Plan for 2011/2012 includes anticipated support for capital and service developments of

£6.196m. If these allocations are not received then this will increase the cost pressures and financial challenge for the Health Board in 2011/2012.

- The Financial Plan also includes £11.638m (based on 2010/2011 funding) of anticipated allocations in 2011/2012, to offset expenditure which we are planning to incur. Whist received in this way in the current financial year (and similar levels received by former LHBs in Gwent for similar issues in previous financial years), until confirmed these must continue to be viewed as a risk if we continue to anticipate the spend. If these allocations are not received then this will increase the deficit and financial challenge for the Health Board in 2011/2012.

Summary of the Updated Financial Challenge – 2011/2012

The table below summarises the revised outlook described in this paper, moving from the initial estimated gap of £69.1m to £61.36m:

	Feb 2011 Revised Gap £m	From ---------- To Based on potential allocation impacts of:- 0% £m	-1% £m	-2% £m	-3% £m
Updated recurring position from 2010/11	28.85	31.0	31.0	31.0	31.0
Estimated cost base increase	27.37	32.7	32.7	32.7	32.7
Service developments & local issues	5.14	5.4	5.4	5.4	5.4
Allocation impact	0.00	0.0	9.5	19.0	28.5
Range	**61.36**	**69.1**	**78.6**	**88.1**	**97.6**
%age of TOTAL allocation	6.53%	7.3%	8.3%	9.3%	10.3%

This initial gap had in turn improved from an estimated £73m used and presented to the organisation as a set of initial financial planning principles during the Autumn of 2010. It was requested that detailed, deliverable plans be developed that would allow the organisation to breakeven in 2011/2012 (see below and appendix 2).

Progress has therefore already been made against this initially assessed challenge, including:

- Primary care drugs - £4m, based on the expected impact in 2011/2012 on positive benefits being realised in the second half of 2010/2011, especially in relation to activity growth, and the expected impact this will have on future growth.

- CHC - £3m, factoring in benefits being driven through in terms of service provision changes and the full year effect of additional savings being delivered to drive the 2010/2011 financial position down.

- Statutory compliance - £1m, further reviews are being undertaken to assess whether much of the increased statutory burden on the Health Board can be delivered within existing resources.

- Other issues - £2m. This is a combination of a range of other issues including AQF requirements, the expected impact of NICE and other cost pressures in other providers, and the expected reduction in non pay spend in 2010/2011 reducing the VAT increase burden. Plans are being developed to deliver within existing budgets.

Cost Avoidance v. Savings

A key element in the delivery of the 2011/2012 financial plan will be the identification and containment of costs that can be avoided, whilst still ensuring the delivery of required service levels and managing forecast demand increases, rather than the need for savings plans in other areas being required to cover such cost increases.

By far the easiest way to save costs is to not incur them in the first place. Whilst the estimates of the financial challenge above have determined the current expected cost commitments, effort is required to ensure that as many of these costs as possible are avoided in the first place. Through the iterative work progressed above, an estimate has also been made of which elements of costs could potentially be avoided as opposed to those which are genuinely unavoidable (for example, whatever the pay award cost impacts are for the coming year). Savings plans are required for those costs which are unavoidable in order to deliver within the eventual budgets set.

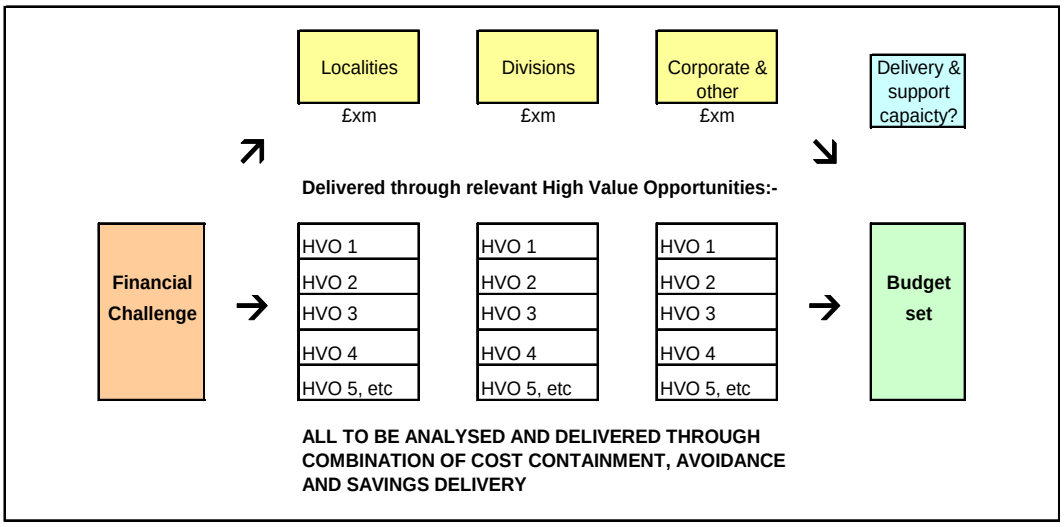
The latest estimate of this split is provided in the table below:

	Estimated £m	Potential to deliver via:- Cost containment	Savings Requirement
Updated recurring position from 2010/11	28.85	0.00	28.85
Estimated cost base increase	27.37	11.12	16.25
Service developments & local issues	5.14	5.14	0.00
Allocation impact - flat cash	0.00	0.00	0.00
Range	**61.36**	**16.26**	**45.10**

Savings requirement

The updated financial challenge above suggests a savings and cost avoidance programme requirement in the region of **£61m** for the coming year, or **6.5%** of the total Health Board's allocation. Clearly this is a significant challenge. The responsibility and accountability for the delivery of plans to meet this challenge needs to be absolutely clear, along with the programme management, monitoring and performance arrangements. Lessons from 2010/2011 will need to be learnt.

It is still expected that much of this requirement will be driven through High Value Opportunities (HVOs), linked to previous studies undertaken by McKinseys and the Welsh Assembly Government but also heavily reinforced by the Health Board's medium term and strategic direction. Such HVOs will also need to be easily understood, probably smaller in number than in the current financial year, be clearly opportunities as opposed to enablers and have absolute clarity over leadership, accountability and responsibility for delivery. An example of how the financial challenge outlined above gets translated through such HVOs, identified by main delegated budget area, and results in budgets set is as follows:



Included in this is the delivery, support and programme management requirements. Reflecting on progress made in financial year 2010/2011, a key requirement in delivering a large scale change management programme of over 6% in value, is to have robust programme management arrangements, properly resourced and in place early. This will also form a key part of the assurance framework for the Board. Linked to this will be an equally robust and effective process for managing budgets and ensuring compliance with best practice in budgetary management and control.

Detailed below is how the £61m programme requirement will translate across the key budget areas. It must be noted that this is an estimate of how the expected cost pressures for the coming year, together with the local costs and developments will pan out across the Health Board's main budget areas. This is on top of what has been described above as the recurrent underlying financial position from this financial year. This is not budget setting or the targeting of "CIPs" to each of the Divisions and Localities , but an updated indication of how the coming year could look across the Health Board if no additional action is taken.

	Potential Cost avoidance £000s	Estimated Savings requirement £000s	Total Estimated Gap £000s
Localities:-			
Blaenau Gwent	838	1,841	2,679
Caerphilly	2,068	6,337	8,405
Monmouth	802	1,614	2,416
Newport	1,733	4,785	6,518
Torfaen	1,220	4,431	5,651
Mental Health	2,571	14,694	17,265
Operational Divisions:-			
Unscheduled care	834	7,120	7,954
Scheduled care	2,120	4,138	6,258
Family & therapies	1,365	3,800	5,165
Facilities	313	670	983
Corporate budgets	206	2,111	2,317
Externally provided services	2,195	4,684	6,879
Capital charges	0	0	0
Contingency and Reserves	0	-11,127	-11,127
Total	**16,264**	**45,098**	**61,362**

The Financial Plan Approach

Given the above challenge, the key strands to the Health Boards approach to financial planning for the coming year are:

- The continuing focus on costs and spend and managing costs to, as a minimum, maintain the current underlying run rate as we move into 2011/2012. With no material pay award being made in April, there is no reason why the underlying current recurring run rate cannot now be, at the very least, maintained as we go into the new financial year. One of the key strands of the Health Board's financial plan will be the continuing focus on expenditure and further driving down this run rate. Plans will then also need to be in place to address the underlying financial position that the current underlying run rate generates.

- Managing cost pressures at a local level, within a flat cash funding environment.

- Capturing the "Performance Dividend" – aspiring for best in class delivery in all that we do and realising the financial benefits of moving from where we are in terms of performance to this. This might be both transactional and transformational in its nature. This will also be included as part of the proposed High Value Opportunities this year.

- Delivering on all known service changes this financial year, and realising and maximising the financial benefit of doing so.

- Making progress on the required transformational change, accepting this will be more than one year in its delivery.

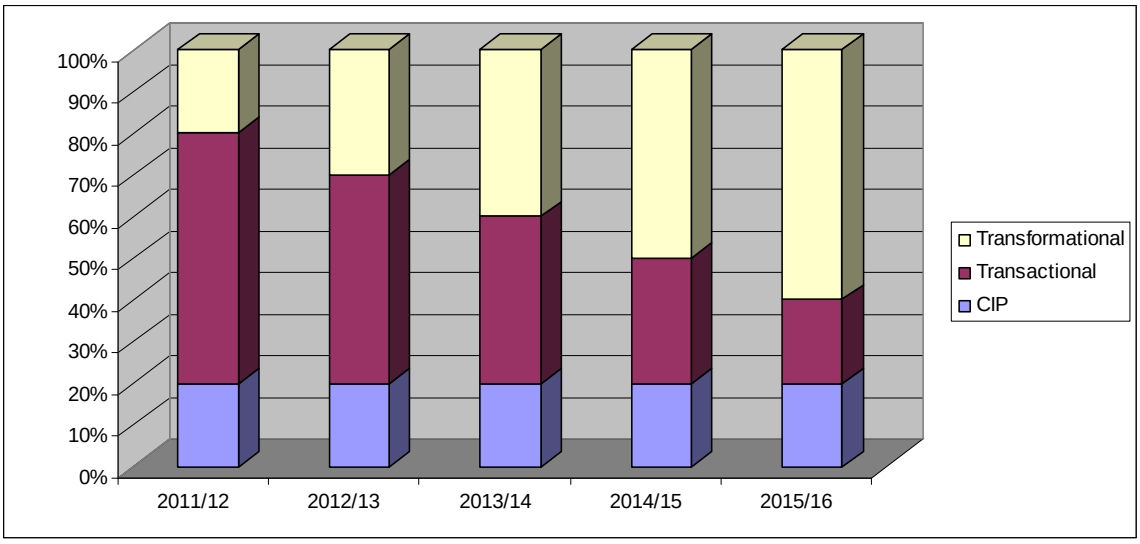
- Delivering the High Value Opportunities.

In terms of transformational change, the approach recognises that such changes and related reductions in cost base are longer term projects, and may need a number of years lead in time before some of the workforce and financial changes are realised. This Health Board's five year planning framework suggests that during this lead in time traditional cost avoidance and cost containment solutions will be required, together with programmes that drive operational and performance efficiencies. These transactional type savings will reduce year on year, tapering off towards year five until the transformational savings materialise in full. This is also consistent with the need to use such efficiencies to drive out the underlying

recurring deficits, so that by the end of the five year period the savings and cost avoidance being generated through the benefits of the transformation agenda contain the Health Board's costs within the expected annual cost base increases. However, this transformational journey needs to begin now.

An initial high level assessment has been made of the likely release of savings from efficiency and performance improvements, together with service realignments over the next five years. As noted above, a key element of the financial planning and budget setting approach for the Health Board for the coming year is to move towards targeting and budget setting best in class performance realising a performance dividend. Through this it will be expected that 3% a year cumulative CIP savings are achievable if we strive for such best in class performance.

Taking the above, the balance of transactional v. transformational change, and the resulting cost reduction and savings impact over the next five years will require greater gains in operational efficiencies in the early years, leading to stepped up transformational change in the later years. This is demonstrated as follows:



Key enablers to this transformational agenda will include:

- YAB
- YYF
- Frailty
- The wider Clinical Futures Programme

High Value Opportunities

As detailed above, and included in one of the six key strands of the Health Board's financial planning approach for the coming year, it is still proposed that the financial plans will be driven through HVOs, linked to previous studies undertaken by McKinseys and the Welsh Assembly Government but also heavily reinforced by the Health Board's medium term and strategic direction. Learning on lessons from the current financial year, such HVOs will also need to be:

- based on opportunities to save / contain costs;
- have clear linkages to how the money is spent;
- make sense operationally, against which budgets can then be set;
- be clear opportunities as opposed to "enablers";
- can be fully backed by service, activity and workforce plans;
- can be programme managed with clear delivery mechanisms;
- have absolute clarity in terms of responsibility and accountability;
- as much as possible, correlating to the national work streams and savings categories, against which the Health Board's actual delivery with be routinely monitored.

Taking all this into account, the financial plan for the Health Board for 2011/2012 is therefore proposed to be managed through tracking plans within each Locality, Division and Corporate budget through the following 9 HVOs:

- workforce management;
- CHC;
- medicines management;
- management costs;
- non pay management;
- externally provided services;
- estates and energy management;
- shared services;
- performance improvement, delivering the "Performance Dividend".

Plan progress to date

A summary of the cost containment, avoidance and savings plans received to date, mapped against the Localities, Divisions and other budget areas and against the above 9 HVOs, plotted against the currently mapped assessment of the £61m financial challenge for 2011/2012, is provided below.

	Localities (incl Mental Health) £m	Divisions £m	Corporate £m	Other £m	Total
Assessment of Financial Challenge	**31.8**	**20.4**	**2.3**	**6.9**	**61.4**
Plans received to date:-					
Workforce Management	3.6	14.4	0.0	0.0	**18.0**
CHC	5.7	0.9	0.0	0.0	**6.6**
Medicines management	4.3	0.0	0.0	0.0	**4.3**
Management costs	0.0	0.0	0.0	0.0	**0.0**
Non pay management	0.5	3.4	0.6	2.0	**6.4**
Externally provided services	0.0	0.0	0.0	0.0	**0.0**
Estates and energy management	0.0	0.0	0.0	0.0	**0.0**
Shared services	0.0	0.0	1.0	0.0	**1.0**
Performance Improvement	1.8	1.3	0.1	0.4	**3.5**
Total plans received to date	**15.9**	**20.0**	**1.7**	**2.4**	**40.0**
Remaining gap	**15.9**	**0.4**	**0.6**	**4.5**	**21.4**

Plans received to date suggest that £40m has been identified for delivery in 2011/2012, mapped against the proposed HVOs as detailed above. Adding this into the £12m already progressed against the initial gap is a 5.4% planned delivery at this stage.

This would leave a c£21m financial "gap" for us to continue to address, whilst noting the £52m of savings already identified to support the financial challenge in 2011-12. The organisation is already in a stronger position with a greater level of savings identified compared with the same point last year.

Key to delivering to a balanced position in 2011/2012 therefore will be the adherence to the six key principles for the financial plan for the coming year, in particular the continuing focus on expenditure, driving the current recurring run rate down further, eliminating the recurring underlying financial position and the management of new cost pressures as they arise throughout the new financial year.

An assessment of the deliverability of all of the plans received to date continues, along with the need for these to be fully backed by detailed service, activity and workforce plans.

Key risks to the delivery of the financial plan in 2011/2012 therefore include (on top of the risks highlighted earlier in terms of the estimated challenge facing the Health Board):

- the ability to fully deliver on existing plans received in full this year. This will mean no unplanned slippage and, where expected, plans to be delivering from 1 April;

- in the short term, maintaining the current run rate and not letting this increase as we go into the new financial year – as noted earlier this is a significant risk;

- the ability to successfully manage cost pressures within existing resources as they arise throughout the financial year;

- the ability to deliver AQF targets and key Ministerial and other priorities within existing resources;

- delivering as much of the transformational agenda as possible in 2011/2012, and making significant performance improvements as we strive for best in class and deliver on the "Performance Dividend".

Budget Setting and Budget Management

Budgets will be set before the start of the financial year, to enable actual spend to be monitored, variances understood, and any corrective action undertaken quickly, to ensure delivery of spend within available budgets. Best practice in budgetary management and control will form a key assurance mechanism for the Board.

The Standing Financial Instructions of the Health Board requires that "*Such budgets will…..accord with activity and workforce plans……(and) be prepared within the limits of available funds"*

A balanced budget for the Health Board needs to be set, clearly showing how its allocation will be devolved to those responsible and accountable for delivering the Health Boards expenditure, through its delegated budget scheme of delegation. Budgets need to be set on a fair basis that reflect the level of expenditure required and a level of expenditure that would allow the Health Board to deliver a breakeven financial position by the year end. These budgets will need to be supported by clear service and workforce plans and savings.

A number of approaches and best practice criteria will need to be adopted to set budgets for the coming year:

- The budget set must be a reflection of the (current or emerging) financial plan by which the Health Board is expected to deliver services within its available resources. Such plans therefore need to:

- be based on, and fully describe, all opportunities to save/contain costs through a range of HVOs (see above);
- have clear linkages to how the money is spent – e.g. workforce, CHC, non pay, etc with clear line of sight in terms of how the implementation of the plan will change the cost base;
- make sense operationally so that budget setting makes sense and results in a fair and deliverable budget;
- backed by detailed service and workforce plans;
- have clear accountability.

- Setting "High Performance" budgets. Using comparative benchmarks to determine how each budget should be set, moving towards ensuring that every area of the Health Board delivers at "best in class" or as a minimum, upper quartile of peer group delivery. We should be aspiring to deliver this in everything that we do, with the resulting quality improvements assessed through a "Performance Dividend" which can be quantified in terms of financial benefit and impact on the financial challenge.

- Focus on expenditure. The key to delivering any movement towards a balanced budget position for the coming year will be the continuing focus on, and reducing, expenditure, including in the early months of the financial year. The spend run rate as we move into 2011/2012 will be key.

- Compliance to the Budget Control Policy, in particular with respect to responsibility and accountability, and the monitoring of any variances (overspends) and the delivery of any resulting corrective action plans.

It is important that each Division, Locality and Corporate Department utilise this framework of best practice in continually improving their budget setting and budgetary management disciplines. This process will be described in the revised Budgetary Control Financial Control Procedure that will be signed off by the Board. Improvements in budgetary management and control will be a key metric, monitored much more closely by the Financial Recovery Committee of the Board, as part of the overall management and assurance of the financial plan for 2011/2012.

The first stage of the budget setting process, in the flat cash environment we are now in, is to confirm the 2011/2012 delegated budget baselines. These are as follows:

	£m
Localities (inc Mental Health)	382.0
Operational Divisions	359.0
Corporate departments	31.0
Exterbnally provided services (inc WHSSC)	183.0
Total rollover delegated budgets	**955.0**

It is a requirement of the Standing Financial Instructions that the Health Board approves a budget for the coming financial year, based on available funds, and performs its agreed functions within available resources. The primary source of funds for the Health Board is the Revenue Allocation received each year from the Welsh Assembly Government.

The Revenue Allocation Letter (issued in February 2011) received from the Welsh Assembly Government has confirmed that the 2011/2012 allocation for the Health Board is £939m. Adding to this anticipated additional in year funding and other miscellaneous income results in a total income base for the Health Board. It is recommended that this level of income should be the primary basis for setting the budget for the Health Board for 2011/2012, and that the Health Board plans to deliver its responsibilities within that available resource.

In reviewing the allocation and the corresponding available resources for the Health Board for 2011/2012, there is an underlying risk assessed in this financial plan, and in the overall operational plan, the improvement from £72m to £61m and to date this is supported by service and workforce plans to the value of £40m, leaving a residual risk to be managed of £21m.

The overall risk identified in this plan is 6.4%, and this is covered by plans to the value of 4.2% leaving a residual risk of 2.2%. The materiality of this starting risk will be an issue for the Board to consider as part of its due diligence processes around the current Operational and Financial Plan.

15. CAPITAL

The Aneurin Bevan Health Board Capital Programme has been developed in the context of the Health Board's Five Year Service, Workforce and Financial Framework; supporting Annual Plans; Corporate Risk Register; All-Wales Capital Programme and Capital Resource Limit.

It is made up of two elements: the capital funding for all-Wales schemes and a discretionary capital allocation – a significant element of which relates to replacement rather than development items and in some cases may be in response to unforeseen events during the year.

Funding Context

Any capital investment proposal resulting from the Five Year Strategic Framework or Annual Plan must be set in the context of the Capital Resource Limit set by the Welsh Assembly Government. During the next 4 years the Assembly's capital budget will be cut by 40% in real terms (34% in cash terms) but the stepped reduction in 2011-2012 is larger than previously expected and will be more than 25% in real terms.

All Wales Capital Programme

In terms of service and estate priorities against the All Wales Capital Programme, in 2011-2012 this is principally the funds required to complete Ysbyty Ystrad Fawr together with early phases of Estate Infrastructure improvements, which will continue over the coming years. The development of the SCCC on Llanfrechfa Grange site remains a key component of delivering our Clinical Futures service strategy and the Health Board will continue to work towards approval and implementation of this important project.

Discretionary Capital

Given the funding context outlined above, 2011-2012 is anticipated to be a difficult year, with a reduction in Discretionary Capital.

The current Discretionary Capital projected start position (based on Welsh Assembly Government information) is currently estimated to be £6.846 to which the Health Board can add any property sale proceeds. In 2011-2012 it is anticipated that £0.9m will result from such sales. Allowing for YYF slippage adjustment between the

Discretionary Programme and All-Wales Capital Programme the assumed start position is therefore ca. £5.75m.

The Welsh Assembly Government requires the Health Board to develop at last a three year Discretionary Programme. This should identify schemes that can be accelerated, should additional capital funding become available. The current proposed discretionary plan is set out below:

Discretionary	**2011/2012**	**2012/13**	**2013/14**	**2014/15**
	£000	£000	£000	£000
Source				
Total Discretionary in CRL	6846	6368	5676	5676
Add Sale Proceeds	900			
Total Available Funding	7,746	6,368	5,676	5,676
Repayment of AWCP slippage				
SGCC AWCP Slippage	-1500			
YYF and YAB Slippage	-579			
Total slippage repayable	-2,079	0	0	0
Balance of funding available	5,667	6,368	5,676	5,676
Applications:				
Direct Service Allocations				
Fees				
Committed funds c/fwd from previous year	-1488			
Approved schemes in 2010/2011				
Balance of funding available	**4,179**	**6,368**	**5,676**	**5,676**

Depending on the finalisation of the Annual Plan for 2011/2012, other potential capital spending requirements may include:

- capital requirements of service reconfiguration and service improvement;
- spend to save proposals;
- ongoing investment resulting from risk management;
- capital investment required for performance maintenance/improvement;
- emerging requirements from areas not previously attracting funding e.g. community premises.

Capital Charges

The Health Board currently has a centrally held budget of £18m for Capital Charges. Any adjustment required was automatically made by the Welsh Assembly Government but this is no longer the case and capital charges are now a “real” element of the revenue budget.

Discussions are currently underway about funding arrangement for capital charges resulting from capital investments of all types.

Primary Care

In terms of primary care, the Health Board has worked closely with the Assembly Government to develop a programme of Primary Care requirements that are strategically significant to the delivery of the overall Clinical Futures Programme. This is critical to delivering our Clinical Futures vision for primary and community based services and has latterly been validated through 'Setting the Direction'.

The work programme includes Third Party Development (3PD) proposals for practice replacement, service developments such as Resource Centres and Improvement Grants. A stock-take of all Health Board and General Medical Services premises has also been undertaken which will support the determination of priorities at a local level, in the context of overall service strategies for each Locality, with the focus on service planning as the basis of investment decisions. It has also been agreed to improve the information available about the management and actual utilisation of community premises so this can inform investment decisions.

The Health Board will be progressing as key priorities into 2011-12 new primary care schemes, such as the North Resource Centre in Caerphilly, now approved by WAG.

———————————————————————

16. ESTATE

The estate vested in the Health Board is a prime enabler to deliver the services for the resident population. Clearly more and more services are being provided in the community and in ways which differ from the traditional models of care focused on acute hospitals. Whilst some of this is will be provided in more virtual settings, there will be a continued reliance upon premises in varied settings to ensure care is provided safely as close to the patient as possible.

The Health Board has inherited a large estate portfolio currently numbering 75 premises (hospitals and clinics). It also has a number of commercial leases in place to provide accommodation for various staff groups and services. This size of estate does not fully portray the scale of the estate when the spread of specific sites and the number of premises contained within a site are also considered. In recent months a number of these premises have been deemed as surplus to requirements as part of the YAB and YYF developments and the delivery of the service strategies surrounding those developments but this still leaves the Health Board with a large number of premises, of varying ages, state and utilisation to manage in a way that supports service delivery.

In line with the Annual Quality Framework, the Health Board is commencing a review of existing premises, building on work undertaken during the transition to the new organisation. This review will initially focus on community premises (incorporating primary care premises) to agree the state, utilisation of them and associated costs. This will be mirrored by work on the hospital sites. Work will also take place to review estate opportunities across other public sector services.

This assessment will provide accurate and agreed information on current utilisation and assess opportunities for alternative service uses. The work will be key in facilitating service changes and developments which require additional or alternative clinical (and related) accommodation as identified in the Annual Plan and Five Year Framework. A major priority in 2011/2012 will be responding to the opening of YYF and the planned service flows from the Royal Gwent Hospital in particular.

Managing the estate implications of the service plans will be lead by a Strategic Estate Group which will be underpinned by a new Accommodation Group, to facilitate the operational management and changes of space, and the Land & Property Group to handles acquisitions and disposals.

There is a recognised issue of backlog maintenance across the estate and this has been one of the drivers for the successful development of cases for both YYF and YAB. Managing the risks of such a large and complex estate remains a challenge and extensive work will be undertaken on the RGH site in 2011/2012 to deal with issues specific to that site but the aforementioned review of estate will facilitate the management of such issues going forward.

The availability of capital monies will be a particular challenge. If estate is to be reused for other service needs this is likely to lead to premises being refurbished or redesigned and there will be a need to ensure value for money and an affordable strategy at all times. Management of the estate must be driven by a clear service strategy and the need to deliver that through estate as appropriate. The priorities will be to have a collectively agreed understanding of the estate, its current and potential uses in order to facilitate service plans. Linked with this will be the need to maximise the utilisation of all space, reduce commercial leases and where possible rationalise the estate portfolio if the service plans support this. This will reduce risks and cost pressures in the organisation which can be directed towards other service pressures. This programme of work will need wide engagement across the organisation and with other public sector organisations where opportunities present themselves.

In terms of primary care, the Health Board has been working closely with the Assembly to develop a programme of Primary Care requirements that are strategically significant to the delivery of the overall Clinical Futures Programme. This is critical to delivering our Clinical Futures vision for primary and community based services and has latterly been validated through ‘Setting the Direction’.

The work programme includes 3PD proposals for practice replacement, service developments such as Resource Centres and Improvement Grants. A stock-take of all Health Board and General Medical Services (GMS) premises has also been undertaken which will support the determination of priorities at a local level, in the context of overall service strategies for each Locality, with the focus on service planning as the basis of investment decisions.

17. INFORMATION AND COMMUNICATIONS TECHNOLOGY

There are a number of challenges that the Health Board aims to address in 2011/2012. The Health Board is a corporate supporter of the Informing Healthcare strategy for NHS Wales and as such the Health Board remains an "Early Adopter" site for Welsh Clinical Portal. Development of Clinical Workstation will remain a priority in order to address numerous clinical and management priority requirements.

Electronic Discharge Notification functionality remains a crucial quality improvement initiative, together with the establishment in April 2011 of the initial phases of the Frailty Programme and the Central Hub as part of implementing 'Setting the Direction'.

It has long been agreed at committee and Board level, that the health Board should replace its outdated Patient Administration System. The reasons for this are well documented and the Health Board has made clear its intention to migrate from its iSOFT iExpress PAS to the NHS Wales Myrddin PAS. A previous attempt to achieve this migration before January 2010 failed, but a new project is now being initiated to achieve a go live during summer 2011.

Ensuring YYF is commissioned in 2011 is a key priority. Working closely with the Clinical Futures team, Informatics has evolved a new set of technical standards and ways of working with technology and computer based information. To this end, the hospital (together with Ysbyty Aneurin Bevan) will be the first in Gwent to be 100% wireless coverage and have a significant amount of mobile technology for clinical and support staff. Getting this live, on time and to quality, will be both a significant and exciting challenge.

Clinical Engagement is at the forefront of ICT Clinical Systems Design, Procurement, Implementation, Evaluation and Maintenance in the Health Board. Clinicians are represented on all groups including Information Development, Digital Technology, and the Health Informatics programme, as well as many of the projects that arise in support of strategic delivery. The national programme is actively encouraging clinical engagement in the design and assurance of national clinical information systems and the Health Board has a broad spectrum of its key clinical staff involved in this activity.

Work will also be developed to support the development of Health specialty indicators, linked with the AQF, which will be agreed by health professionals as key performance indicators in relation to

particular services, such as stroke care. These indicators will be used to assess the performance of the system and of the organisation.

———————————————————————————

18. PERFORMANCE MANAGEMENT

The Health Board continues to further develop its robust Performance Improvement and Management framework that has been established to support the delivery of improved quality and the enhancement of patient experience whilst ensuring value for money, the achievement of targets and the development of a delivery culture. This will be based on the need for effective delivery of plans outlining clear leadership and accountability. Local plans clearly outlining priority actions, implementation timescales, key risks and milestones, and accountabilities will be developed to achieve the Health Board's priorities and targets. The Performance framework will be based on a number of key initiatives or processes:

- the designation of Lead Directors for the achievement of key AQF and other targets;
- the consideration and ratification of delivery plans by the Executive Team and Delivery Group;
- the structured monthly checking of progress with plans and the instigation of remedial action and measures where key milestones are not being achieved;
- the structured weekly checking of progress in key or problematic areas, e.g. A&E or RTT, and the instigation of remedial action and measures where key milestones are not being achieved;
- annual service reviews with divisions to review previous performance, agree annual plans and priorities and identify key issues influencing future strategy;
- a review process whereby the Executive Team meets with Divisional Teams on a regular basis to monitor progress and to identify key actions to maintain momentum and achieve targets;
- a dashboard approach to performance monitoring and reporting based on the identification of key performance metrics on a corporate, divisional and directorate basis which allows an effective mechanism for monitoring progress and identifying need for remedial action;
- the establishment and development of appropriate community information and performance reports which recognise the whole systems and partnership opportunities to improve performance and the patient experience;
- improvement of information systems and processes to support the delivery of services. This includes supporting continuous improvement through effective benchmarking and establishing networks with other organizations to maximize learning;
- the identification of areas where additional support is required to progress key actions. This support may be through redirecting

internal expertise or resource to support teams or by identifying external support where skills are unavailable within the Health Board.

The Health Board will further develop a robust computer based Performance Dashboard building on an application developed and controlled in-house. The dashboard will promote a balanced performance reporting approach across the integrated organisation, to include primary, community and mental health issues. In addition, patient experience, safety and outcome measures will be at the core of the dashboard to reflect the centrality of patient care in the Health Board's approach to performance improvement. The dashboard will continue to recognise that there remain key targets that the Welsh Assembly Government expects to be delivered. The Dashboard approach will be extended throughout the organization from Health Board to divisional/directorate level with a coherent process aligning organizational priorities with delivery at every level of the organisation.

Two of the main areas where further work will be undertaken to develop more explicit and relevant measures of performance will be in primary and community services. Whilst some monitoring frameworks exist (e.g. AOF targets and Quality and Outcomes Framework) and that a good deal of work in this area has been undertaken by the locality teams, attention will be given to understanding far more comprehensively, performance in these two areas and, especially, its impact on the rest of the health and social care systems in Gwent.

The Health Board is developing a robust Performance Improvement and Management framework to support the delivery of improving quality and the patient experience, ensuring value for money and achieving targets and developing a delivery culture. This will be based on the need for effective delivery of plans outlining clear leadership and accountability. Local plans clearly outlining priority actions, implementation timescales, key risks and milestones, and accountabilities will be developed to achieve the Health Board's priorities and targets.

———————————————————————

19. CONCLUSION

The Health Board is building a reputation through the hard work of its staff as an organisation that can deliver. During 2010/2011, the Health Board has been focusing on integrating care within health services and with partner organisations, focusing on improving safety and quality of services for patients, developing more sustainable solutions and improving the empowerment of staff.

In partnership, there has been a focus on local relationships with agencies and communities around the localities. The locality structure has been supported as a fundamental part of the way we do business, not to simply duplicate former LHB structures, but rather to get the local relationships and visibility of the organisation established

A number of key planning areas are on track in the new organisation, building on the strong foundations in place, including the opening of Ysbyty Aneurin Bevan in October 2010 and plans for the new hospital in Ystrad Mynach to open late in 2011/2012. The Specialist and Critical Care Centre is receiving continued support from the Welsh Assembly Government, with primary and community services well placed to deliver the Primary Care Strategy for Wales as a result of NHS re-organisation and the benefits offered by the new, integrated organisation.

Many of the organisation's performance areas are showing significant improvements in the right direction over the last twelve months but there is still a lot to improve and deliver on.

The Health Board offers a community of staff and services that have a positive and developing relationship, with some good clinical engagement, strong and growing staff side relationships and engaged independent practitioners. Some of the locality work and relationships with partners and local government, for example, demonstrated by the 'Frailty' work going on across the Gwent area, are leading in Wales.

It is critical in building on our first full year, that our Five Year Framework continues to set the scene for a clear focus on the 'what' and the 'how' with the supporting Annual Plan 2011/2012 focusing on delivery. We need to continue to develop the reputation for an organisation that can clearly present the key areas for action, but more importantly deliver on these with urgency.

2010/2011 represented a year of improving our financial position; of focusing on the delivery of key targets and changes and developing the more strategic changes to give us the flexibility to develop the local services we aspire to. 2011/2012 will be a year that requires a focus on both transactional and transformational change in our approach to planning and delivering high quality service for the people of Gwent and South Powys, within a challenging financial year.

ANNEX 1

EXAMPLES OF THE KEY COMMITMENTS WITHIN THE 2011-14 HEALTH, SOCIAL CARE AND WELL BEING STRATEGIES AND CHILDREN AND YOUNG PEOPLE'S PLANS (NB STILL SUBJECT TO APPROVAL)

Commitments within 2011-14 HSCWBS for key target groups	
Older Frail People:	Development and implementation of the Gwent Frailty Programme with a focus on integration of health and social care services in order to deliver urgent response, intervention and reablement services (**all Localities**). Enabling older people to age well into their retirement through effective Partnership working and whole systems approaches to service delivery, including health promotion, prevention, information, social networks, health/social care interventions, signposting and advice (**Blaenau Gwent Locality**).
***People with Long Term Conditions**:*	Improving health knowledge and skills (health literacy) to increase people's capacity to manage their own health and better access health services (**Caerphilly Locality**). Continue to support people to manage their own conditions through local clinics and specialist nurses/support workers - working with NHS staff and specialist third sector organisations and the "Expert Patient" programmes (**Torfaen Locality**). Widening the primary care role in preventing chronic disease through health assessments and information/advice for people to take greater responsibility for improving their own health (**Torfaen Locality**).
People with Mental Health Problems:	Deliver full integration of health and social care mental health and learning disability community services to address gaps and overlaps in the current service (**Torfaen Locality**). Implementation of 'in-house' specialist domiciliary services to support people with dementia and their carers (**Monmouthshire Locality**).
People with Learning Disabilities:	Integration of the Community Learning Disability Service building on service and user needs mapping information (**Newport Locality**). Improving the uptake of health checks for adults with a learning disability (**Monmouthshire Locality**).

People with Physical Disabilities:	Develop and promote the provision of joint services, in partnership with all relevant organisations, to enable people with a disability or impairment to live full and independent lives (**Newport Locality**). Further improved referral and assessment processes in the disabled people service to reduce waiting times, and tender for Disabled Facility Grants building providers to improve the construction of adaptations to people's homes (**Torfaen Locality**).
People with Substance Misuse Problems:	Improving treatment outcomes by driving better performance and improving the overall capacity of services (**Newport Locality**). Develop parental interventions for substance misusers with children (**Torfaen Locality**).

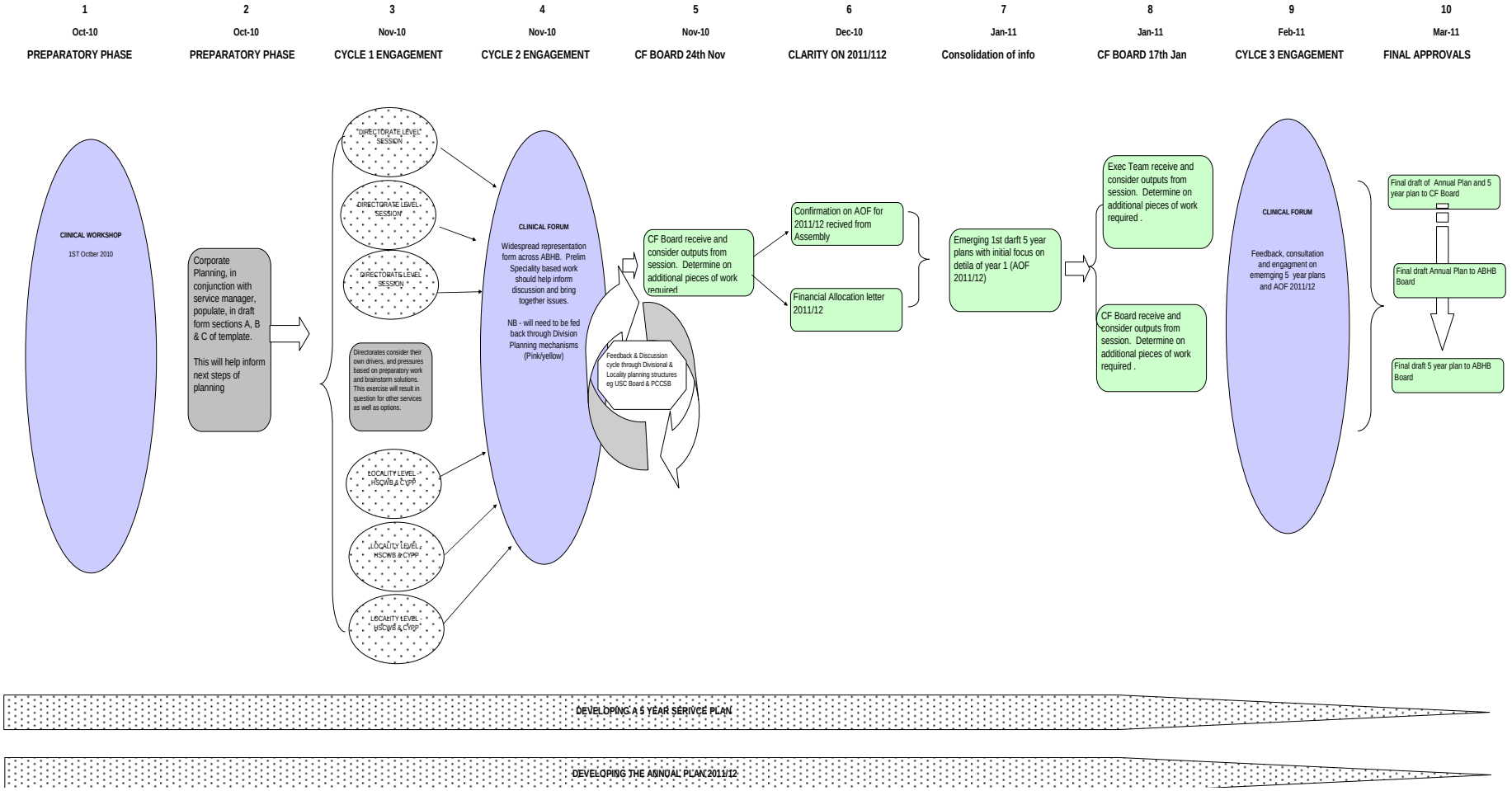
Commitments within 2011-14 CYPPs for 7 Core Aims	
Core Aim 1 - Have a flying start in life	Children and their families benefit from integrated care coordinated by, and emanating from, one point of contact (**Torfaen Locality**). Improving the accessibility of information and advice for parents/carers and increasing the capacity of professionals to deliver a 'menu' of parenting programmes (**Newport Locality**).
Core Aim 2 - Have a comprehensive range of education and learning opportunities	All children and young people (including those who are vulnerable) to have good physical and mental health together with emotional security enabling them to pursue personal interests, have access to education, including Welsh medium education, training and recreation, and to live free from fear, harm and neglect (**Monmouthshire Locality**). Work to encourage parents to take up early years services, including free or subsidised childcare places, ensure greater integration of early years services to better support children and families and improve the knowledge and skills of parents (**Blaenau Gwent Locality**).
Core Aim 3 - Enjoy the best possible health and be free from abuse, victimisation and exploitation	Enhance sexual health and substance misuse advice and support available to ensure young people can make informed decisions (**Newport Locality**). Achieve a decrease in Body Mass Index rates for reception class children (**Caerphilly Locality**). Children, young people and their families, currently

	experiencing avoidable poor health outcomes and expectations because they are amongst the poorest in our communities, will have the biggest improvements in health (**Torfaen Locality**).
Core Aim 4 - Have access to play, leisure, sporting and cultural activities	Ensuring a 'geographical' spread of activities and provision, including: • specialist activities for children and young people with special needs. • undertaking a "Play Sufficiency Audit" that includes the availability, geographical location, type and specification of play areas (**Newport Locality**). Integrate sport, leisure, play and youth support services with other statutory/voluntary provision in order to maximise outcomes for children and young people and deliver services more effectively and efficiently (**Blaenau Gwent Locality**).
Core Aim 5 - Are listened to, treated with respect and have their race and cultural identity recognised	Children and young people have a right to their opinion and will be involved in decisions that affect them – in the form of being consulted on a predetermined issue, to young people choosing their agenda, making their own decisions and taking them forward (**Monmouthshire Locality**). Enhance advocacy support available to children and young people and their families and in particular disadvantaged/vulnerable groups. Support effective feedback mechanisms enabling organisations and services to provide tangible evidence to young people that their voices have been listened to (**Newport Locality**).
Core Aim 6 - Have a safe home and community which supports physical and emotional well-being	Torfaen is a place where people are less affected by drugs and alcohol (**Torfaen Locality**). Deliver the priorities in the Anti-bullying Strategy across schools and other settings (**Blaenau Gwent Locality**).
Core Aim 7 - Tackling child poverty	Supporting vulnerable children and young people living in workless households, with low income and parents or carers with low level skills, who also have inequalities in health and education (**Monmouthshire Locality**). Help young people to participate effectively in education and training (**Caerphilly Locality**).

ANNEX 2

DRAFT - FOR DISCUSSION

PROCESS FOR DEVELOPMENT OF 5 YEAR SERVICE PLANS & ANNUAL PLAN 2011/12



ANNEX 3

FUNCTIONALITY OF CLINICAL FUTURES LEVELS OF CARE

Level 1 – Out of hospital services	Level 2 – Local General Hospitals	Level 3 – Specialist and Critical Care Services
Urgent treatment and advice - Telephone advice and initial contact - IT assisted self care - Urgent response teams	**Urgent or Emergency Care** - Minor injuries and in some instances emergency assessment observation and admission - Primary care out of hours - Short Stay and Observation Facilities for Emergency admissions - High dependency facilities at level 1 and/or level 2 - Rapid Access Clinics - 24 hour minor injuries services - Bases for urgent response community teams	**Major Emergency Care** - Specialist medical and - Emergency assessment and in patient care - Emergency Surgery - Trauma - Maxillo facial surgery - ENT - Full range of critical care services including coronary care, high dependency and intensive care
Diagnosis and Treatment Services - Minor Surgery - Some outpatient services, specialist GPs, e.g. dermatology	**Diagnosis and Treatment Services** - Outpatient clinics - tests, investigations - in some (enhanced) instances, day case and routine operations	**Diagnosis and Treatment Services** - Complex operation - critical care - sophisticated diagnostics - some specialist outpatient clinics
Women and Children Services - Antenatal and postnatal services (midwifery led), - Sexual health and Family planning advice, - Child Adolescent Mental Health services - Health Visiting and School Nurses	**Women and Children Services** - Outpatient clinics in appropriate environments - tests, investigations - in some (enhanced) instances low risk birthing units.	**Women and Children Services** - High risk births - complex operations such as cancer - acutely ill children - neonatal service

Level 1 – Out of hospital services	Level 2 – Local General Hospitals	Level 3 – Specialist and Critical Care Services
Integrated Care Services - Health promotion, - Disease prevention, screening and treatment, - Detection and monitoring of long term conditions - Reablement and Rehabilitation services	**Integrated Care Services** - Rehabilitation - step up/step down care and beds - therapies - palliative care	**Integrated Care Services** - These will be provided at local level with the possible exception of some stroke services
Mental Health and LD Services - Community Mental Health Teams - Crisis resolution - Community Learning Disabilities services - Psychological therapies	**Mental Health and LD Services** - Outpatients - day hospital - inpatient care for adults and older adults with mental health problems	**Mental Health services** - Psychiatric Intensive Care, Assessment and Treatment, Potentially Low secure forensic services. (not in SCCC) The SCCC also offers the opportunity to bring specialist services into Gwent that are not currently provided e.g. radiotherapy and additional outreach services

Annex 4: Service Developments in 2011/2012 set against Clinical Futures

The Health Board is already committed to the following strategic service developments, to be continued and prepared through 2011/2012:

Level 1 – Out of hospital services	Level 2 – Local General Hospitals	Level 3 – Specialist and Critical Care Services
• Delivering health and wellbeing agenda • Implementing children and young people's priorities • Implementation of the community-based frailty programme with: o Community Resource teams implemented by April 2011 o Communication Hub, enabling Single Point of Access (SPA), implemented via Frailty Programme for whole of the Health Board (SPA opens April 2011) • Establishment and development of Neighbourhood Care Networks • Continue to critically review the provision of Continuing Healthcare services across the Health Board by providing alternative services within the Health Board.	• Realising the benefits of the new Ysbyty Aneurin Bevan • Opening Ysbyty Ystrad Fawr Hospital • Close CDMH, and YMH as YYF opens • Review Minor Injury Services in the Health Board, and agree future service model • Development of services at County Hospital. • Development of services at St Woolos Hospital	• Deliver Outline Business Care for the Specialist and Critical Care Centre (SCCC) • Improved, cross-site District General Hospital working

Level 1 – Out of hospital services	Level 2 – Local General Hospitals	Level 3 – Specialist and Critical Care Services
• Target the outstanding levels of DTOCs • Develop a clear Demand Management Strategy and Implementation Plan • Development of services in North Torfaen • Move forward on the implementation of new service models in Caerphilly County Borough in advance of the opening of Ysbyty Ystrad Fawr, in particular: o positively supporting the extension of the frailty model of working in Caerphilly o Progress development of the North Resource Centre o Redwood Hospital closes on opening of North Resource Centre • For Newport Locality: o Integration of services with Newport City Council (MH, LD, Frailty and Adult services) o Progressing east Newport integrated health and social care Resource Centre (Ringland). • Continue to reconfigure respiratory and diabetes services within the community, followed by other chronic diseases. • Further development of Out of Hours services		• Deliver RTT targets • Review and further develop Orthopaedic capacity • Development of specialised services and regional service planning • Repatriation of appropriate, specialised and out of county services

Level 1 – Out of hospital services	Level 2 – Local General Hospitals	Level 3 – Specialist and Critical Care Services
	• Further improvement in the day surgery basket	
	• Review of all Long Term Agreements within Health Board and look to repatriate these services where appropriate	
	• Clear actions to reduce length of stay (LOS) for acute inpatient services (a 10% reduction was set in 2010/2011, increasing to 20% in 2011/2012).	
	• Look to the development of further Centres of Excellence in the Health Board	
• The Health Board is reviewing the provision of all Mental Health Services to Gwent and South Powys residents, including: o the further development of integrated Crisis Resolution Services o Continue implementation of the South Powys Mental Health Service Modernisation Plan o Close Ty Sirhowy as YYF opens o Clear Strategic Framework and Implementation Plan in place with partners, via the Partnership Board through 2011/2012.		
• Continue implementation of redesign of unscheduled care across the whole system		
• Continue to deliver and monitor the 'Interventions Not Normally Funded' policy		

Level 1 – Out of hospital services	Level 2 – Local General Hospitals	Level 3 – Specialist and Critical Care Services
• Tobacco: More work needs to be done in terms of ensuring a tobacco free environment across the Health Board's premises, and encouraging and supporting staff, patients and visitors to quit smoking. Key areas include: o pre-operative smoking cessation o support to NHS employees who smoke, to quit o support to pregnant women who smoke o brief intervention to smokers delivered by GPs.		
• Obesity: The Health Board will need to give consideration to the increased provision of weight management services, as well as addressing appropriate related health promotion activity for staff, patients and visitors. This is likely to particularly affect dietetic, psychology, catering and estates staff in the Health Board, and also a wide range of Local Authority activity through Partnerships. key areas include: o increasing walking/cycling o reducing access to obesogenic food o targeted weight management programmes for high risk o targeted activity with children. o workplace health focused activity		
• The one evidence based screening service not being provided locally is targeted cardiovascular risk factor screening through primary care. A very successful model has been developed in Caerphilly, which needs to be rolled out to other areas of high premature CVS mortality.		
• Rationalisation of Healthy Schools schemes across 'Gwent': potential for both cost saving and quality improvement.		
• Gwent wide co-ordination of C card (sexual health education and condom distribution scheme for young people) activity and promotion of contraception including LARC to young people.		
• Deliver key targets identified within 'Our Healthy Future' – smoking cessation, prevention of falls, alcohol misuse, health at work, effective management of vascular risk)		
• Deliver a Health Board Estates Review and develop an updated Estates Strategy		

Annex 5

Organisational Objectives 2011/2012
(Draft currently being finalised by the Executive Team)

OBJECTIVES/PRIORITIES	TARGET SOURCE	EXECUTIVE LEAD	LINK TO HCS	TIME SCALE
1. Improve our Public Health				
1.1 Review evidence of Best Practice to improve the provision of local services The Health Board will review Best Practice nationally in reducing teenage conception and abortion rates, smoking reduction, reducing alcohol misuse and improving the Health Board's position against other priorities in *' Our Healthy Future'.* Best Practice elsewhere will be incorporated into local action plans to achieve agreed priorities.	AQF Our Healthy Future CYPP	DPH		
1.2 Develop processes and analyses to establish the baseline position for key Public Health challenges Baselines will be established for smoking rates, alcohol misuse, teenage conceptions, abortions and contraception, and other key priorities to provide a focused approach to measuring improvements going forward. These will provide the basis for target setting and linked to key improvements arising from above.	AQF Our Healthy future	DPH		
1.3 Implement key local and national programmes to achieve priorities in *'Our Healthy Future'* and the *'Children's and Young Peoples Plan'* The Health Board will develop local plans to achieve agreed key priorities. This will include local determination of key actions and implementation of national schemes, including the c-card scheme and "Stop Smoking Wales".	AQF 'Our Healthy Future' CYPP	DPH		
1.4 Integrating Public Health as a key part of delivering improved health within the Health Board area The Public Health Department will be the key function in engaging with the Health Board's Divisions and Localities to develop integrated plans to deliver AQF priorities for protecting and improving health. This will include	AQF	DPH		

OBJECTIVES/PRIORITIES	TARGET SOURCE	EXECUTIVE LEAD	LINK TO HCS	TIME SCALE
establishing detailed actions across the Health Board to develop integrated plans to improve smoking cessation rates and succeeding in achieving platinum standard for the corporate health standards.				
1.5 Developing processes to measure progress in improving Public Health Develop measures and a performance dashboard to monitor progress in the long term delivery of priorities within *'Our Healthy Future'.* This will be linked to the establishment of the baseline position and target setting from prioritised action plans.	AQF HB Plan	DPH/DPI		
2. Focus on Safety, Excellence and Quality				
2.1 Further develop and implement the Clinical Futures Strategy The Health Board will continue developing and realising benefits from LGHs at YAB and YYF, progress with the SCCC and develop and implement priorities to enhance capacity in primary and community care.	HB Plans	DP&O		
2.2 Improve Mortality rates within the Health Board The Health Board will continue the work of the Mortality Group which has implemented mortality audits and detailed CHKS analyses of mortality. The evidence from mortality audits will be used to improve delivery of services and CHKS will be utilised to undertake further specific reviews of individual specialties where identified and take remedial action where indicated. The Health Board will target reducing mortality and RAMI.	AQF	MD		
2.3 Continue to improve Cancer Services Develop plans to utilise best practice in treatment and rehabilitation options for patients with cancer. This will include improving patient tracking processes to facilitate early treatment and ensuring improvements in multi-disciplinary team working. Work will continue to sustain and improve compliance for All Wales Cancer Standards. The achievement of access targets for cancer patients will remain a key priority.	AQF	DP&O		
2.4 Improve delivery of Cardiac services	AQF	DP&O		

OBJECTIVES/PRIORITIES	TARGET SOURCE	EXECUTIVE LEAD	LINK TO HCS	TIME SCALE
Plans will be implemented to improve cardiac rehabilitation in Caerphilly, development of a PCI service within the Health Board, more effective working with WAST to improve 'call to needle' performance and explore the use of BNP in primary care.				
2.5 Health Board participation in National Audits The Health Board will make arrangements to participate in MINaP, Tarn, RCP, Stroke Audit, CEPOD and WCP. The results from audits will be reviewed by the NICE & Clinical Effectiveness Group and remedial action taken where appropriate and reported to the Health Board's sub-committee on Quality & Patient Safety on a regular basis.	AQF	MD		
2.6 Improve care for patients with Fracture Neck of Femur The Health Board will improve current pathways for patients with Fracture Neck of Femur, particularly in time of admission to theatre, pain relief and reduced mortality.	AQF	DP&O		
2.7 Apply a zero tolerance approach to preventable Healthcare Associated Infections The Health Board will implement and embed the C.diff, PVC and urinary care 'bundles', promote 'bare below the elbow' and progress the C.diff cohort ward. The Hydrogen Peroxide pilot will be evaluated and extended, and processes will be developed to ensure prudent antibiotic prescribing.	AQF	ND		
2.8 Elimination of Pressure Sores SKIN 'bundles' will be implemented in Emergency Departments, Theatres and Community with more robust hospital incidence reporting. Performance review systems will be developed.	AQF	ND		
3. Delivering Patient Centred Services				
3.1 Implement the key priorities from "Setting the Direction" The Health Board will establish Neighbourhood Care Networks led by GPs. This will include establishing effective working arrangements with Localities and secondary care, and the establishment of key priorities and timelines to achieve improvements in delivery of primary and community services and realising benefits from closer working with Secondary Care.	AQF Setting the Direction	DPC&MHS		

OBJECTIVES/PRIORITIES	TARGET SOURCE	EXECUTIVE LEAD	LINK TO HCS	TIME SCALE
3.2 Implement the Frailty Plan The Health Board will implement the Frailty Programme to support patients and carers in their home and prevent unnecessary admission to hospital.	HB Plan	DPC&MHS		
3.3 Improve Access to Unscheduled Care Services by promoting self care and improving Primary and Community Services The Health Board will implement primary care bundles to reduce variance in same day urgent GP access, improve USC call handling in primary care through improved training, take action to manage admissions from Nursing and Residential Homes, and reduce variation in repeated admissions. This action will be associated with the development of the Frailty model and work within secondary care.	AQF Clinical Futures	DPC&MHS		
3.4 Develop benchmarking arrangements to assess current quality and efficiency of services Benchmarking baselines will be developed to provide priorities for improving services, effective planning and performance management of Primary Care and Community Services. This will include ensuring maximising potential benefits from enhanced services and development of plans for independent contractors.	AQF	DPC&MHS		
3.5 Improve end of life care The Health Board will improve training on end of life care, implement processes for "just in case" boxes and develop Locality plans for delivery of improving palliative care services. A CANISC Group will be formed to oversee the implementation of a Palliative Care Information Strategy. Monitoring arrangements to measure progress.	AQF	DPC&MHS		
3.6 Improving Mental Health Services The Health Board will continue to focus on delivering CRHT and CPA services and apply current processes to South Powys. The Intelligent targets on depression and dementia will be implemented and utilised in assessing required actions to improve service delivery.	AQF	DPC&MHS		

OBJECTIVES/PRIORITIES	TARGET SOURCE	EXECUTIVE LEAD	LINK TO HCS	TIME SCALE
3.7 Measure and take action to improve patient and carer experience The Health Board will continue to prioritise action to improve compliance with the standards within Fundamentals of Care and improve processes to measure patient experience.	AQF	ND		
3.8 Achieve access targets The Health Board will apply a rigorous process to continue to sustain access targets. Key priorities during 2011/2012 will include improving demand management, continued application of INNU and implementation of improved pathways. The development of sustainable services in orthopaedic services to reduce access times will be a key priority.	AQF	DP&O/DPI		
3.9 Improve the Efficiency and Productivity of Services This will be supported by improved utilisation in outpatients and theatres and progressing towards "best in class" in the efficiency and productivity of service delivery.				
3.10 Improve patient flow within Secondary Care A plan to improve patient flow within secondary care will be developed, including timely morning discharge, planned discharge arrangements, reduce delayed discharges within Acute hospitals and reduce rate and number of re-admissions.	AQF	DP&O		
3.11 Successfully commission YYF Complete YYF developed to time and budget and successfully implement new service model including community developments.	HB Plan	DP&O/ DPs& MHS		
3.12 Realise benefits from YAB development Continue progressing processes to realise the benefits from new developments in Blaenau Gwent.	HB Plan	DPs& MHS		
4. Empower our Staff				
4.1 Improve Staff Utilisation	AQF	DoW&OD		

OBJECTIVES/PRIORITIES	TARGET SOURCE	EXECUTIVE LEAD	LINK TO HCS	TIME SCALE
An e-rostering package will be implemented to ensure staff are utilised effectively and reduced reliance on premium rates. There will be targeted reduction in overtime, agency and recruitment in 2011/2012.				
4.2 Improving staff education and development An organisational training strategy will be developed and implemented which will increase training capacity and take up of staff education opportunities. This will be associated with improving opportunities for clinical leadership and management skills, including increasing appraisal rates.	AQF	DoW&OD		
4.3 Develop an effective Workforce Plan Workforce planning will be improved through more effective integration in the service and financial planning process and will include embracing simulation techniques.	AQF	DoW&OD		
4.4 Improving employee well-being The Health Board will be actively pursuing attaining the 'platinum' level against the Corporate Health Standard. Action will be taken to implement the Action Plan to reduce staff sickness.	AQF	DPH/ DoW&OD		
4.5 Improve leadership and management of Health Board skills Plans to improve skills of leaders, managers and clinicians through use of 360 degree appraisal, Aston Team building programme and bespoke pathways.	Annual Plan	DoW&OD / CE		
4.6 Develop more effective processes to facilitate increasing workforce designs This will complement development of more Community focused services and assist achieving specific workforce targets originating from the 2010/2011 AOF.	AQF / Annual Plan	DoW&OD		
5. Achieve better use of Resources				

OBJECTIVES/PRIORITIES	TARGET SOURCE	EXECUTIVE LEAD	LINK TO HCS	TIME SCALE
5.1 Develop the ICT infrastructure within the Health Board in conjunction with NWIS An ICT implementation plan will be developed reflecting the local opportunities to progress national priorities outlined in the Annual Quality Framework position.	AQF ICT Strategy	MD		
5.2 Develop an Annual Plan to meet national targets To develop a financial plan which allows the Health Board to break even by March 2012.	AQF HB Plan	CE/FD		
5.3 Develop more effective budget management and control environment The Health Board will continue developing its service line reporting processes in conjunction with clinicians, review its comparative cost base and improve workforce information, including the implementation of e-rostering during 2011/2012.	AQF Financial Plan	CE		
5.4 Identifying savings in management costs Current management structures and processes to be reviewed and eliminating waste where possible.	HB Plan Financial Plan	Chief Executive		
5.5 Improve procurement and supply chain processes Action will continue in targeting savings from procurement, stores and supply chain.	HB Plan	FD		
5.6 More effective Medicines Management Action will continue to improve Medicines Management in primary care, secondary care and promoting more integrated processes and policies.	HB Plan	MD		
5.7 Effective Management of the Capital Programme To promote service reconfiguration, service improvement and ensuring patient and staff safety.	HB Plan	DP&O		

OBJECTIVES/PRIORITIES	TARGET SOURCE	EXECUTIVE LEAD	LINK TO HCS	TIME SCALE
5.8 Improve management of the Estate Comprehensive review of the Estate in Primary, Community and Secondary Care will be undertaken. Surplus Estate will be disposed and more effective management arrangements for the operational management of the Estate. The Carbon Management Strategy will be implemented.	AQF Clinical Futures	DP&O		

Annex 6

HEALTH BOARD PRIORITIES ARISING FROM THE ANNUAL QUALITY FRAMEWORK

1.1 Review evidence of Best Practice to improve the provision of local prevention services
The Health Board will review Best Practice nationally in reducing teenage conception and abortion rates, smoking reduction, reducing alcohol misuse and improving the Health Board's position against other priorities in our '*Healthy Future'.* Best Practice elsewhere will be incorporated into local action plans to achieve agreed priorities.
1.2 Develop processes and analyses to establish the baseline position for key Public Health challenges
Baselines will be established for smoking rates, alcohol misuse, teenage conceptions, abortions and contraception, and other key priorities to provide a focused approach to measuring improvements going forward. These will provide the basis for target setting and linked to key improvements arising from 1.1.
1.3 Implement key local and national programmes to achieve priorities in our '*Healthy Future*'
The Health Board will develop local plans to achieve agreed key priorities. This will include health promotion in children, improving access to contraceptive services and effective sex education for teenagers and training for staff in supporting parents of young children to reduce harmful alcohol consumption.
1.4 Integrating Public Health as a key part of delivering improved health within the Health Board area
The Public Health Department will be the key function in engaging with the Health Board's Divisions and Localities to develop integrated plans to deliver AQF priorities for protecting and improving health. This will include establishing detailed actions across the Health Board to develop integrated plans to improve smoking cessation rates to succeed in renewing gold corporate standard as a prerequisite for working toward platinum at earliest allowable submission date – 2013.
1.5 Improve performance processes
Develop measures and a performance dashboard to monitor progress in the long term delivery of priorities within our *'Healthy Future'.* This will be linked to the establishment of the baseline position and target setting from prioritised action plans.
2. INTEGRATION WITHIN HEALTH AND WITH PARTNERS
2.1 Implement the key priorities from "Setting the Direction"
The Health Board will establish Neighbourhood Care Networks led by GPs. This will include establishing effective working arrangements with Localities and secondary care, and the establishment of key priorities and timelines to achieve improvements in delivery of primary and community services and realising benefits from closer working with Secondary Care.

2.2 Implement the Frailty Programme across Health Boards
The implementation of new models of delivering services in the community and within Primary Care is key to providing alternatives to hospital attendance or admission and in shifting care closer to the patient's home. The Health Board will implement the Frailty Programme including establishment of Community Resource Teams, effective referral and alternative treatment approaches to sustain patients in their own homes during 2011/2012. This priority is supported by clear plans and performance assumptions to measure progress in realising benefits.
2.3 Develop benchmarking arrangements to assess current quality and efficiency of services
Development of benchmarking baselines to provide priorities for improving services, effective planning and performance management. This will include ensuring maximising potential benefits to enhanced services and development of plans for independent contractors.
2.4 Improve Access to Unscheduled Care Services by promoting self care and improving Primary and Community Services
The Health Board will implement primary care bundles to reduce variance in same day urgent GP access, improve USC call handling in primary care through improved training, take action to manage admissions from Nursing and Residential Homes, and reduce variation in re-admission rates and repeated admissions. This action will be associated with the development of the Frailty model and work within secondary care. The Health Board will review local plans against emerging best practice and high impact changes from national workstreams.
2.5 Continue to develop more effective engagement within partner organisations
The Health Board will continue to promote partnership with other organisations to develop more integrated delivery of services. This will include working with Health Boards in South East Wales and Powys, and Local Authorities and the voluntary sector.
3. CLINICAL AND QUALITY IMPROVEMENTS
3.1 Continue to improve Stroke Services
Build on well developed services for patients who have suffered a stroke by increasing compliance with ongoing intelligent care targets for stroke and planned targets for TIA and stroke rehab for 2011/2012.
3.2 Continue to improve Cancer Services
Develop plans to utilise best practice in treatment and rehabilitation options for patients with cancer. This will include improving patient tracking processes to facilitate early treatment and ensuring improvements in multi-disciplinary team working. Work will continue to sustain and improve compliance for All Wales Cancer Standards. The achievement of access targets for cancer patients will remain a key priority.
3.3 Effective delivery of the 1000 Lives+ Programme
The 1000 Lives + approach will be continued with more effective implementation to achieve consistency and spread. The programme will

specifically target in improving compliance with the use of care bundles for stroke and cardiac. This will form part of the Waste, Harm & Variation work within the Health Board and linked to detailed analyses of quality of services.

3.4 Improve delivery of cardiac services

Plans will be implemented to improve cardiac rehabilitation in Caerphilly, development of a PCI service within the Health Board, more effective working with WAST to improve 'call to needle' performance and explore the use of BNP in primary care.

3.5 Improve Mortality within the Health Board

The Health Board will continue the work of the Mortality Group which has implemented mortality audits and detailed CHKS analyses of mortality. The evidence from mortality audits will be used to improve delivery of services and CHKS will be utilised to undertake further specific reviews of individual specialties where identified and take remedial action where indicated. The Health Board will target reducing mortality and RAMI.

3.6 Improve end of life care

The Health Board will improve training on end of life care, implement processes for "just in case" boxes and develop Locality plans for delivery of improving palliative care services. A CANISC Group will be formed to oversee the implementation of a Palliative Care Information Strategy. Monitoring arrangements will be developed to measure progress.

3.7 Improving Mental Health Services

The Health Board will continue to focus on delivering CRHT and CPA services and implement current successful processes to South Powys. The Intelligent targets on depression and dementia will be implemented and utilised in assessing required actions to improve service delivery. The Health Board will continue to improve delivery and governance of services in South Powys.

3.8 Health Board participation in national Audits

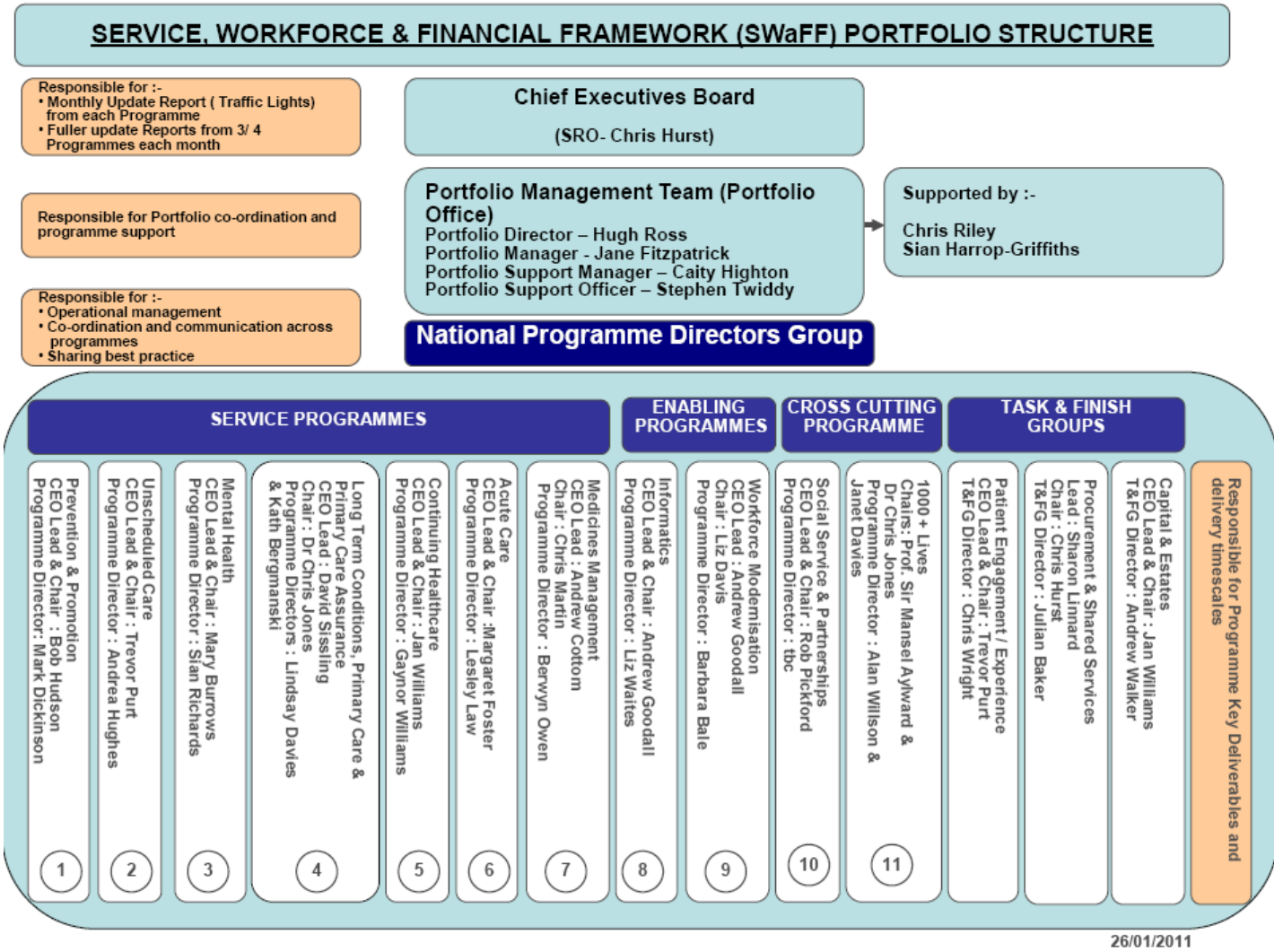
The Health Board will make arrangements to participate in MINaP, Tarn, RCP, Stroke Audit, CEPOD and WCP. These will be reviewed by the NICE & Clinical Effectiveness Group on an ongoing basis and reported to the Health Board's sub-committee on Quality & Patient Safety on a regular basis.

3.9 Measure and take action to improve patient and carer experience

The Health Board will continue to prioritise action to improve compliance with the standards within Fundamentals of Care and improve processes to measure patient experience and take remedial action where necessary. More effective reporting arrangements to the Health Board will be developed.

4. QUALITY OF CLINICAL AND CITIZEN FOCUS
4.1 Achieve access targets
The Health Board will apply a rigorous process to continue to sustain access targets. Key priorities during 2011/2012 will include improving demand management, continued application of INNU and implementation of improved pathways. This will be supported by improved utilisation in outpatients and theatres and progressing towards "best in class" in the efficiency and productivity of service delivery. The development of sustainable services in orthopaedic services to reduce access times will be a key priority.
4.2 Improve care for patients with Fracture Neck of Femur
The Health Board will improve current pathways for patients with Fracture Neck of Femur, particularly in time of admission to theatre, pain relief and reduced mortality.
4.3 Apply a zero tolerance approach to preventable Healthcare Associated Infections
The Health Board will implement and embed the C.diff, PVC and urinary care 'bundles', promote 'bare below the elbow' and progress the C.diff cohort ward. The Hydrogen Peroxide pilot will be evaluated and extended, and processes will be developed to ensure prudent antibiotic prescribing.
4.4 Elimination of Pressure Sores
The SKIN 'bundles' will be implemented in Emergency Departments, Theatres and community with associated more robust hospital incidence reporting.
4.5 Improve patient flow within Secondary Care
A plan to improve patient flow within secondary care will be developed, including timely morning discharge, planned discharge arrangements and reduce delayed discharges within Acute hospitals.
5. CORPORATE SYSTEM CHANGES
5.1 Improve Staff Utilisation
An e-rostering package will be procured and implemented to ensure staff are utilised effectively with reduced reliance on premium rates.
5.2 Improving staff education and development
An organisational training strategy will be developed and implemented which will increase training capacity and take up of staff education opportunities. This will be associated with improving opportunities for acquiring clinical leadership and management skills, and increasing appraisal rates to facilitate personal development.

5.3 Develop an effective Workforce Plan
Workforce planning will be improved through more effective integration in the service and financial planning process and will include embracing simulation techniques.
5.4 Improving employee well-being
The Health Board will be actively pursuing attaining the 'platinum' level against the Corporate Health Standard. Action will be taken to implement the Action Plan to reduce staff sickness.
5.5 Developing a Financial Plan and processes to achieve financial targets in 2011/2012
Financial Plans will be developed to both identify financial savings and provide stringent cost controls to meet the challenging financial environment.
5.6 Develop the ICT infrastructure within the Health Board in conjunction with NWIS
An ICT implementation plan will be developed reflecting the local opportunities to progress national priorities outlined in the Annual Quality Framework.
5.7 Develop more effective budget management and control environment
The Health Board will continue developing its service line reporting processes with clinicians, review its comparative cost base and improve workforce information, including the implementation of e-rostering during 2011/2012. An annual Financial Plan will be developed to outline actions to achieve sustainability.
5.8 Develop more effective processes to facilitate increasing workforce redesign
This will complement development of more community focused services and assist achieving specific workforce targets originating from the 2010/2011 AOF.
5.9 Improve management of the Estate
Comprehensive reviews of the Estate in Primary, Community and Secondary Care will be undertaken. Surplus Estate will be disposed and more effective management arrangements for the operational management of the Estate. A Carbon Management Strategy will be implemented.
5.10 Develop an Assurance Framework at Health Board level for 11/12 AQF
An Assurance Framework will be developed to finalise measures and reporting processes, including the Health Board and its sub committees, to provide effective performance management arrangements. These arrangements will reflect the need to collaborate effectively with WAG and other Health Boards on the information development requirements.


SERVICE, WORKFORCE & FINANCIAL FRAMEWORK (SWaFF) PORTFOLIO STRUCTURE
Responsible for :-
• Monthly Update Report (Traffic Lights) from each Programme
• Fuller update Reports from 3/ 4 Programmes each month
Chief Executives Board
(SRO- Chris Hurst)
Responsible for Portfolio co-ordination and programme support
Portfolio Management Team (Portfolio Office)
Portfolio Director – Hugh Ross
Portfolio Manager - Jane Fitzpatrick
Portfolio Support Manager – Caity Highton
Portfolio Support Officer – Stephen Twiddy
Supported by :-
Chris Riley
Sian Harrop-Griffiths
Responsible for :-
• Operational management
• Co-ordination and communication across programmes
• Sharing best practice
National Programme Directors Group
SERVICE PROGRAMMES
ENABLING PROGRAMMES
CROSS CUTTING PROGRAMME
TASK & FINISH GROUPS
Prevention & Promotion
CEO Lead & Chair : Bob Hudson
Programme Director: Mark Dickinson
1
Unscheduled Care
CEO Lead & Chair : Trevor Purt
Programme Director : Andrea Hughes
2
Mental Health
CEO Lead & Chair : Mary Burrows
Programme Director : Sian Richards
3
Long Term Conditions, Primary Care & Primary Care Assurance
CEO Lead : David Sissling
Chair : Dr Chris Jones
Programme Directors : Lindsay Davies & Kath Bergmanski
4
Continuing Healthcare
CEO Lead & Chair : Jan Williams
Programme Director : Gaynor Williams
5
Acute Care
CEO Lead & Chair :Margaret Foster
Programme Director : Lesley Law
6
Medicines Management
CEO Lead : Andrew Cottom
Chair : Chris Martin
Programme Director : Berwyn Owen
7
Informatics
CEO Lead & Chair : Andrew Goodall
Programme Director : Liz Waites
8
Workforce Modernisation
CEO Lead : Andrew Goodall
Chair : Liz Davis
Programme Director : Barbara Bale
9
Social Service & Partnerships
CEO Lead & Chair : Rob Pickford
Programme Director : tbc
10
1000 + Lives
Chairs: Prof. Sir Mansel Aylward & Dr Chris Jones
Programme Director : Alan Willson & Janet Davies
11
Patient Engagement / Experience
CEO Lead & Chair : Trevor Purt
T&FG Director : Chris Wright
Procurement & Shared Services
Lead : Sharon Linnard
Chair : Chris Hurst
T&FG Director : Julian Baker
Capital & Estates
CEO Lead & Chair : Jan Williams
T&FG Director : Andrew Walker
Responsible for Programme Key Deliverables and delivery timescales
26/01/2011

Final – June 2012

GIG CYMRU NHS WALES
Bwrdd Iechyd Aneurin Bevan Health Board

Our Annual Plan 2012/13

Our Vision

- **Working with you for a healthier community**
- **Caring for you when you need us**
- **Aiming for excellence in all that we do**

Our Purpose to always ...

- **put the patient first**
- **continuously improve with every action**

CONTENTS

1 Aims, Scope and Purpose of the Annual Plan 2012/13

The purpose of the Annual Plan 2012/2013 is to:

- provide a robust platform for changes in the way in which healthcare is developed and delivered within Gwent and the broader Aneurin Bevan catchment including the South Powys population;
- build on existing work and learning from what has worked well, focus on the key activities that can genuinely make a difference this year and support the transformation agenda;
- recognise that patient care, service reconfiguration and the organisation need to be managed differently to provide safe, high quality services that are clinically and financially sustainable;
- identify and clarify accountabilities, the clinical inputs required and the support required across the system to deliver change;
- detail the joint planning and service change/redesign that is required to ensure the plan can be achieved with a clear sense of direction over the next 3 to 5 years using Clinical Futures as the framework;
- deliver a balanced and sustainable financial plan.

In developing this plan, the Health Board recognises the need to: -

- provide stability in terms of service priorities, but support radical approaches to transforming service delivery and improving quality;
- make another step change toward delivery of the Clinical Futures Strategy and ensuring change occurs in line with this strategy;
- deliver safe, high quality services with rapid improvement where there are unacceptable levels of variation;
- continue to build on the current strong foundation of partnership working with Local Authority, Third Sector and Independent Sector organisations;
- realise the benefits of investment in community based care and continue to develop this strategic shift of services;
- ensure there is better access to primary care services;
- provide cost effective services that keep people well;
- ensure delivery of existing commitments laid out in the 2011/12 Annual Quality Framework (and revised in the light of future guidance for 2012/13) – maintaining a focus on local and national performance standards remains a consistent foundation for our future success;
- improve the quality of our service provision by contributing to and learning from research and development:
- change the perception of the NHS from one of a treatment service, to one where effective prevention and support for lifestyle choices prevails;

- mobilise and empower all our clinicians and staff ;
- work with all parts of the health and social care system to shape and implement change;
- keep adults and children well, improving their health and reducing health inequalities;
- improve patient experience, satisfaction and engagement; and
- be well prepared to respond in a state of emergency, such as an outbreak of pandemic flu or a major incident.

2 Our Vision, Values and Priorities

Together for Health [1]sets the vision for the NHS in 2016 as follows:

- Health will be better for everyone
- Access and patient experience will be better and
- Better services, safety and quality will improve health outcomes

This National Vision for NHS Wales is wholly consistent with that set out by Aneurin Bevan Health Board when the organisation was established in 2009.

Working with you for a healthier future
Caring for you when you need us
Aiming for excellence in all that we do

Our purpose is to always put the patient first and to improve the patients experience and the quality of service with every action that we take. Our role is to use the public resources we receive for better health, fewer inequalities and ensure that the public have ready access to effective high quality services that give them a good experience.

The Health Board has 5 key strategic priorities for the future and they are:

- **Delivering Patient Centred Services:** taking all opportunities to organise services around the citizen and balancing our whole system of care.

- **Focusing on Safety, Excellence and Quality:** we have a responsibility to ensure that patients and the population we serve receive the best quality, evidence-based care we can provide and to ensure we deliver the basics exceptionally well. We also have a responsibility to consider quality in its wider definition including patient experience (and appropriate access), maximum productivity and minimal waste; as well as clinical effectiveness and patient safety.

- **Empowering our Staff:** we can only deliver by trusting our staff, supporting them to make the right decisions close to the patient and to find innovative ways of developing the workforce.

[1] Together for Health – A Five Year Vision for the NHS in Wales , Welsh Government 2011

- **Achieve better use of resources:** whatever changes we make and wherever we deliver care we must do this in line with best practice, with an excellent workforce, within the resources we receive and with confidence that improvements can be maintained.

- **Improving Our Public Health**: at present, there is major inequity in health status within our population. We need to focus our efforts alongside those of Local Authority and other partners to systematically improve the health of the population in those areas of greatest need, through addressing determinants of health, supporting healthier lifestyles, and improving access to evidence based preventive services.

Everything that the Health Board does is focused on patient need. We wish to ensure that our patients and the communities we serve will experience the highest quality of care in our local services; we will therefore lead a well managed and integrated healthcare system which meets the needs of the many local communities we serve. During 2012/13, we will continue to concentrate on:-

- Quality – safe, kind and effective care
- Leading change across the system – to improve service for our local community and to recognise that we have a responsibility to be ambitious
- Finance and efficiency – a more efficient and consistent healthcare system

Quality

Improving the quality of patient care is our first priority – safe, more effective and patient-centred care. This starts by ensuring patients are safe from the moment they enter our healthcare system, be that their local general practice, our community services or one of our hospital network.

We also want to do all we can to improve patient experience – this means listening to and taking action on patients' real concerns, such as how we communicate, how clean our hospital facilities are and the quality of our food. Our aim is to transform patient experience and nurture a consistently person-centred approach in everyone, every day. All clinical teams need to be able to answer these questions:

Over and above all priorities in the organisation, it is the quality focus and agenda that should drive our service, workforce and financial framework set out within this plan. This has been a core value from the outset of the new organisation and we have been able to demonstrate progress and delivery against this, in terms of new and alternative service models, tracking performance against patient safety measures and ensuring that actions are in place when incidents occur to share learning and changes to practice.

Patients and carers have a right to experience respectful and professional care, in a considerate and supportive environment, where their privacy is protected and dignity maintained. A high quality experience should be fundamental, underpinned by appropriate standards. This starts by ensuring patients are safe from the moment they enter our healthcare system, be that their local general practice, our community services or one of our hospitals.

Aneurin Bevan Health Board is committed to continually developing and improving care provision for patients and their carers, ensuring all who access services have an experience that reaches societies widely held expectations that they will be cared for safely, by knowledgeable, skilled and compassionate staff.

In line with the Welsh Government strategy we are committed to enhancing the quality, quantity and contribution we are making to research and development and will continue to encourage and support our staff and patients to participate in research activity.

Our aim is that we improve patient experience, by ensuring that the environment is safe and clean and by reducing avoidable harm. It also means that we give patients more control over their own care, and that we will care for every patient in the way we would want our family, friends and loved ones to be cared for.

The promotion of safe care must be complemented by the provision of effective care. Care will be based on the best available evidence of interventions that work and will be delivered by appropriately competent and qualified staff, in partnership with the service user. The systems and processes within the Health Board will facilitate participation in, and implementation of, evidence-based practice.

Accountability is integral to practice and every day staff make decisions that effect patient/client care in a wide variety of circumstances and environments, based on knowledge, judgement and skills. Accepting responsibility and being accountable for such

decisions is an essential part of delivering safe, dignified and effective care.

- do we treat patients well?
- did we help them with their problems?
- do we deliver safe, high quality services?
- do patients experience timely access to our services?
- do we safeguard vulnerable service users?

We want staff to have all the skills they need to deliver the best quality of care to our patients so we are making sure we have the right people, in the right roles, with the right skills. We challenge all staff working in our local health service not only to do their job well but to continuously improve it. This applies to both clinical staff at the front line with patients, and non-clinical staff working in facilities, health records, administration and the vast range of support services that are needed in today's health care.

We recognise that our staff need to have the skills they need to do their job, but also knowledge of the methods for continuous improvement, including using measures that will demonstrate that improvement. Through "Dignity in Care" and our "1,000 Lives campaign" we will ensure staff are supported in making the changes they need to deliver safe, dignified and effective care.

We are working towards achieving excellence in all that we do through continuously improving patient experience, patient safety, clinical effectiveness and clinical efficiency. We believe that through improving quality, we can actually reduce waste, harm and variation. When we reduce harm we improve patient safety; and when we reduce variation using evidence based practices, we increase clinical effectiveness.

Leading Transformational Change across the system

The Health Board continues to build on a strong foundation set out in the Clinical Futures Strategy, we want:

- More services provided closer to home, where it is safe and appropriate, to support people's independence.
- Improved access to services both in terms of time and location;
- To ensure that services meet acceptable standards of safety and quality and deliver the best possible outcomes for patients.
- Improved integration and continuity of care for patients between different professionals, settings and providers.

- A service configuration that makes the best use of available resources to deliver best performance.

We know that year on year we need to: -

- Work with our partners to increase the range of services provided in local communities through primary, community and mental health services.
- Ensure that patients feel the benefits of the investment that the Health Board has made in primary and community based service, including Community Resource Teams, Mental Health Home Treatment Teams and Neighbourhood Care Networks.
- Further develop our Local General Hospital network providing routine hospital services including emergency care, day case and short stay surgery, outpatients, diagnostic and integrated care, together with mental health services.
- Develop a single Specialist and Critical Care Centre (SCCC) to deliver specialist and critical care services, i.e. those that cannot be safely and/or sustainably provided on multiple sites.

Finance and Efficiency

The wider economic situation means that the NHS is facing more financial difficulties than it has for many years; everyone in our healthcare system has played their part last year in helping us to achieve savings targets. The period ahead will require similar team effort.

For this coming year we will need to save an average £800,000 each week to meet a potential £44m deficit. We have saved around £50m a year for the last 3 years. We will need to maintain existing cost controls in areas such as agency staffing. We must also look at becoming more efficient in specific areas such as theatres, acute medicine and outpatients. We will also be looking to improve our own efficiency and effectiveness but making the most of our workforce, carefully planning how we best use our staff to meet the needs of our population. We have developed a balanced plan for 2012/13, with risks and financial pressures with a range that can be achieved.

Ensuring our healthcare system runs smoothly and consistently is crucial for quality of care, patient experience and our finances. Our goal is to make sure that patients can access the most appropriate service to meet their needs, first time, every time.

To achieve this we will focus on a limited number of enhanced change programmes that are recognised as significant financial and service improvement opportunities but are very difficult to implement. This clear focus will ensure that making these improvements is everyone's business, and everyone understands how they contribute to the delivery of these programmes. We do not believe these programmes can be achieved unless services become truly integrated, produce less waste, pay more attention to individual need and support the public to self-care as far as possible and rely less on health and social care intervention.

The Financial Plan sets out in much more detail the financial challenge for 2012/13, together with an assessment of the opportunities the Health Board has to deliver on this challenge. The plan describes progress to date to close this challenge and to move towards a balanced financial plan in terms of the following:

- detailed savings plans received by Divisions and Localities in their annual plan submissions;
- income assumptions made around in particular repatriation income for Ysbyty Ystrad Fawr and orthopaedics; and
- further opportunities to be realised via the five key strategic change programmes.

3. Progress in 2011/12

The Health Board has a clear strategic direction for the development of clinical services and associated development of estate and infrastructure, known as the Clinical Futures Strategy, which has been developed by clinicians. Significant progress has been made in implementing our service strategy in 2011/12, as was set out in our Annual Plan for 2011/12.

The following provides a summary of progress during the year, set against the Health Board's five strategic priorities set out in Section 2.

Safety, Excellence and Quality

- improved process and patient flow in A&E resulting in more consistent and improved performance, consistently the highest performing Health Board in South East Wales ;
- consistent achievement of the 31 day cancer target, 92% compliance with the 62 day target and significant progress in the achievement of the All Wales Cancer Standards;
- low mortality rates;
- achievement of stroke targets, with implementation of a true integrated care pathway for stroke;
- achievement of the sexual health targets;
- roll out of 1,000 lives plus across the Health Board, a major driver of improved focus on improving clinical processes and care for patients;
- improved management of infectious diseases such as Clostridium Difficile (incidence reduced by30%);
- continued to provide the foundation of high quality care including improving stroke services, delivering cancer standards and improving renal services;
- achieved significant improvements in standards of care as indicated from the results of the Fundamentals of Care audit

Delivering Patient Centred Services

- commissioned and opened of Ysbyty Ystrad Fawr which has enabled the closure of Caerphilly District Miners Hospital, Ystrad Mynach Hospital and Ty Sirhowy Unit in Blackwood;
- delivered steady improvement in both RGH and NHH compliance with ambulance handover targets operating consistently above the Welsh average
- decreased multiple admission rates for patients with chronic illness, remaining consistently lower than the Wales average.
- increased the number of patients who come to hospital on the day of surgery and increased the number of Day Surgery Cases, reducing the number of surgical beds at the Royal Gwent Hospital, whilst sustaining Referral to Treatment (RTT) performance;
- 95% RTT 26 week target met in all specialties, except orthopaedics;
- developed mental health crisis resolution and home treatment teams for South Powys, the Health Board is now one of the top performers in Wales and projected to meet 100% of the national service requirements by March 2012;
- implementation of the multi-agency Gwent-wide Frailty Programme;
- developed the integrated Mental Health and Learning Disability Strategies;
- good progress on the achievement of AOF targets for CPA and CRHT in Mental Health, requiring major re-engineering of services by focusing on community delivery rather than inpatient beds;
- Implemented age appropriate transition arrangements for adolescents/young adults

with mental health needs

Empowering our Staff

- reduced variable workforce costs and improved quality and continuity of care through lowering agency and overtime costs, whilst sustaining services and staff relations;
- nearly 20% of the workforce have responded to the change management challenge, by changing their working environment, base, practice or job role
- developed new integrated roles, creating a workforce that can deliver more care outside of hospital settings.
- implementing the Knowledge and Skills framework in support of staff development;
- roll out of the "Employee Well Being Strategy" across Aneurin Bevan Health Board.

Achieve better use of resources

- in it's first two years, the Health Board will have delivered over £130m in savings and cost avoidance while improving performance, compliance with targets and quality outcomes
- continued to improve Continuing Healthcare arrangements; reducing expenditure and containing an anticipated growth in spend of £8m, while developing more locally accessible services;
- continued to drive out waste in the use of medicines and other consumables by delivering an additional £7m of savings
- continued to deliver low waiting times in most specialties with only Orthopaedics having major challenges resulting from high demand compared to available capacity;
- improved integrated working across health and social care resulting in examples of decreasing length of stay and opportunities for capacity reduction in community hospitals;
- improved efficiency & productivity, particularly in Short Stay Surgery, follow-up ratios and Day of Surgery Admissions.
- progressing the Capital Programme by delivering YYF on schedule and to budget, South Gwent Children's Centre, and the Health Board's Discretionary Programme.
- good comparative performance against national prescribing targets;
- improvements in 'did not attend' rates, day case rates and 'late starts' in theatres;
- low rates of delayed transfers of care;
- Integration and streamlining of commissioning processes (for services within and outside of Wales) with significant cost containment efficiencies
- progress underlying financial pressures and in achieving financial balance;

Improving our Public Health

Delivered considerable progress towards protecting and improving health for all, for example:

- launch of a comprehensive smoking policy for staff, patients and visitors, aiming for a complete ban on smoking (indoors and out) in all Health Board premises by April 2012, with improved support for individuals who smoke and who require hospital admission
- increased uptake of teenage booster vaccinations by systematic delivery through school nurses
- establishment of an effective multidisciplinary task force to increase influenza immunisation uptake amongst staff
- re-accreditation of the Corporate Health Improvement Gold Standard award, and a comprehensive plan for the achievement of the platinum standard in 2012
- launch of a "healthy retail" pilot project to support small shops in more isolated communities to increase sales of fresh fruit and vegetables
- development of a "Community Health Champions" scheme with third sector partners to identify and train individuals to be ambassadors for health within their local

neighbourhoods
- the launch of a campaign promoting long acting reversible contraception as a more effective method than the contraceptive pill to further reduce unplanned teenage pregnancies
- launch of the "Five Ways to wel-being" initiative to promote better mental health among key groups in the population
- further progress with implementation of the "Designed to Smile" programme to improve dental health in children
- delivery of training to A&E and primary care staff in discussing alcohol use with patients who have alcohol related health issues.

Over the last year the Health Board has been developing a greater understanding of key issues which impact on the safety and well being of patients. This has included undertaking work highlighting variation in delivery of services and the consequent potential impact on safety or waste, with detailed analysis of factors which impact on mortality rates and risk adjusted mortality, assessing areas of opportunity to improve unscheduled care services and understanding areas to improve rates of readmission and repeated admissions where Health Board performance could improve.

This work has informed the Health Board's strategy, priorities and actions which are now fundamental aspects of the detailed actions and measures to develop coherent plans to meet the challenges set out in the Annual Quality Framework.

During 2011/2012, the Health Board has been focusing on integrating care within health services and with partner organisations, focusing on improving safety and quality of services for patients, developing more sustainable solutions and improving the empowerment of staff.

In order to achieve these commitments, the Health Board has already made real progress by continuing to develop its whole organisational response and focusing on this commitment by:

- connecting services and support throughout primary, community and hospital services;
- promoting opportunities to integrate with social care and Third Sector care providers, through important initiatives such as the Frailty Programme and Neighbourhood Care Networks;
- staff continuing to ensure that services and their care for patients remain their primary focus and will continue to look to deliver change and develop new opportunities for the benefits of patients;

- focusing on driving specific performance areas to be delivered such as those set out in the Annual Operating Framework 2011/2012 and implementing other key areas such as 1,000 lives plus;
- continuing to integrate our organisational structure and bringing together opportunities for whole system working starting with public health approaches.

We also recognise the importance of partnership and equality across primary, community (health and social care) and secondary sectors as pivotal to delivering the model of care that the Health Board aspires to deliver; specifically shifting the balance of care provision to community settings, reducing reliance on secondary care whilst ensuring appropriate access to high quality secondary care services when needed.

During the past 12 months, together with our Local Government and the Third Sector partners, we have made substantial progress in reshaping services to meet the needs of the rising number of older people within our population, recognising that there will be increasing demand on health, social care and housing services. We have:-

- Strengthened Community Resource Teams.
- Delivered community-based Mental Health Crisis Intervention Team across Gwent and in South Powys.
- Organised our community services into 12 Neighbourhood Care Networks, ensuring that primary care play a central role in the planning and delivery of patient centred services.
- Opened the new local general hospital Ysybyty Ystrad Fawr in Ystrad Mynach.
- Continued to develop plans for the Specialist and Critical Care Centre.

4 Assessing the Challenge

The challenges that we face in 2012/13 are significant, particularly in terms of improving health outcomes, system performance and the financial health of the organisation. Together for Health – A Five Year Vision for NHS Wales (2011) set out the challenge as follows:-

Health has improved but not for everyone and our population is ageing

Improvements in health have not been shared equally. Life expectancy for the most deprived fifth of the population has risen more slowly than for any other group. For instance, people living in Monmouthshire and Ebbw Vale face a 10-year difference in average length of life.

Many of the causes of poor health are deep-rooted and they are often difficult to tackle. Gwent faces an obesity epidemic and rates of smoking, drinking and substance misuse continue to cause concern.

We are also facing an increase in the numbers of older people who will inevitably place more demands on our health and social care system. Older people are more likely to have at lease on chronic condition – an illness such as diabetes, dementia or arthritis – and have more as their age increases.

The Health Board places a strong focus on improving health outcomes for our population, for example:-

- Ysbyty Aneurin Bevan and Ysbyty Ystrad Fawr launched as smoke-free “Health Promoting Hospital”.
- Launched a Comprehensive Smoking Policy for Staff, Patient and Visitors including a complete ban on smoking in Aneurin Bevan Health Board premises by April 2012
- Training programme for primary care and A&E staff to address alcohol consumption with patients
- Influenza vaccine promotion campaign
- Roll out of Designed to Smile oral health programme for children
- Supported key areas of focus within new health, social care and wellbeing plans with our partners

Health care quality has improved but the NHS can do even better

Harmful incidents in hospital are monitored better than ever before and efforts to prevent them are more rigorous. The Health Board has a solid track record in managing hospital acquired infections and continue to see specific improvements on a range of quality targets – achieving targets for reducing infection rates; we have seen falls drop and pressure sore rates whilst in hospital reduce. Our new hospital facilities have 100% single room accommodate, supporting our commitment to improved quality and safety of care.

Scientific breakthroughs and faster treatments mean once fatal diseases now have improved survival rates. The Health Board continues to achieve 100% and 98% compliance with the National Cancer Standards and have consistently achieved the 31. We have not consistently achieved the 62 day target but good performance compared to the rest of Wales.

We continue to work hard to make all our services better for our patients. We recognise that people are still admitted to hospital for causes such as an asthma attack which might have been avoided had local preventative action and support been in place. Meeting the challenge of ensuring that the right service, is in the right place, at the right time is critical to delivering a safe, high quality, sustainable healthcare system for the future.

Expectations are continually rising

Past success and continuing improvements mean people's expectations will continue to rise. Involving communities in assessing and designing services improves those services. Involving individuals in treatment decisions and self care management improves outcomes.

The challenge is to develop a new relationship with the public as co-producers in their own care will be essential, empowering the public to make informed decisions about the appropriate use of healthcare.

Medical staffing is becoming a real limitation on our services

Creating a sustainable workforce is a particular challenge in some specialties, including paediatrics and emergency medicine, where there are insufficient specialists than available posts across the NHS. Recruitment of medical staff is already proving to be a tough challenge.

Our top priority is to provide patients with safe, high quality clinical services; our Clinical Futures model clearly sets out our plans to achieve this over the coming years. During the coming year we will look carefully at how we can sustain our existing configuration of services between now and the opening of the Specialist and Critical Care Centre.

We know that the key to delivering sustainable healthcare is to ensure that we use our highly skills workforce sensibly, maximising the contribution they can make by organising the way in which we deliver services better. We believe that we can deliver more by aligning our services and our systems differently, supporting closer integration and shared responsibility for the design and delivery of care across primary, community and acute services. The shape of our workforce needs to change if we are to meet this challenge.

Funding is limited

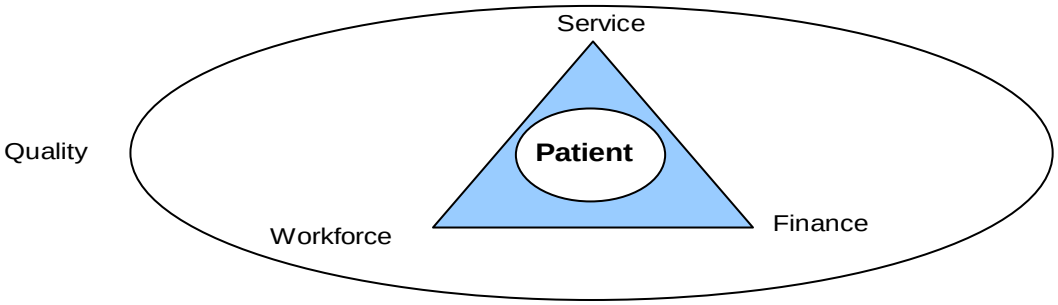
The downturn in the economy and the difficult current economic outlook for public services means that the NHS in Wales faces significant and increasing financial challenges. The current system is unaffordable and in 2012/2013 the Health Board needs to deliver savings of £48m and savings of a similar magnitude over the next few years to stay within the resources provided and to deliver the key targets expected of it. In practical financial terms this requires the delivery of approximately £4m per month, whilst still improving services, improving quality whilst working within the resources available.

5. Planning Approach in 2012/2013

Aneurin Bevan Health Board is facing another challenging year with a requirement to reduce spend by £43.52m during 2012/13.Our challenge is to transform the provision of healthcare in ways that simultaneously reduce spend and improve quality of care. The overarching objectives of the Health Board are to improve health, reduce health inequalities and ensure that our population has access to safe, high quality services within a defined financial envelope.

Building on the integrated approach to planning approach developed for 2011/12 and shown in Figure 1 below, our Locality, Division and service areas have developed integrated service, workforce and financial plans placing the patient at the centre of planning and delivery. Through this process they have identified the contribution they can make to achieving financial balance for 2012/13.

Figure 1: ABHB Integrated Planning Approach



We have held a series of interactive workshops, bringing together our clinicians, managers and Board members. Together we have considered the key themes that have emerged from Locality, Divisional and Service plans, which were:

- Demand management
- Pathways and integration
- Delivering access through team effectiveness
- Workforce change and impact
- Opportunities for commissioning
- Reducing reliance on inpatient beds
- Service reconfiguration
- Medicines management

We have tested these themes against best in class benchmarking and the outcome of our organisational wide “Big Ideas” trawl to identify a small number of change programmes that we, collectively, believe represent significant service improvement and financial opportunities that could if delivered on a system wide basis further support the efforts of our service areas to deliver financial balance in 2012/13. Our priority change programmes are:-

- Saving 100,000 bed days
- Harnessing opportunities in commissioning
- Reconfiguring services in line with Clinical Futures
- Delivering access through team effectiveness
- Making the best use of medicines

These programmes are not focussing on new issues but in order to confront the challenges we face, individuals and teams all levels of the organisation will need to make a stepped increase in the type and pace of change. It must be about the Health Board transforming the way it operates in order to deliver continual improvement within the money available. We believe the value added by shared ownership for the delivery of these priority change programmes by our Board, clinicians and managers is critical to achieving financial balance.

The past two years have taught us that there are no easy or magical solutions to delivering service and financial improvements. It requires meticulous planning, local/service ownership, and sustained and supported action. Improving the quality and pace at which ideas and actions are implemented forms the basis of our service, workforce and financial plan for 2012/13. These change programmes focus on transformation through integrated care models and system wide cost improvement plans, delivered through strong accountability frameworks.

This plan also provides an updated quantification of the estimated financial challenge facing the Health Board in 2012/2013 and provides a clear set of actions to frame the areas necessary to address the resulting financial shortfall, building on work that has been in train in 2011/2012 to both contain and reduce costs. These are detailed in the Financial Plan 2012/13, which should be read in conjunction with the Annual Plan.

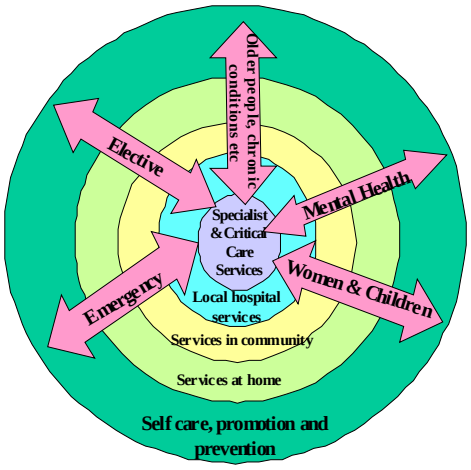
Partnerships, capital planning, estate, information and communication technology, organisational and clinical governance are key enablers identified as key to delivering the Annual Plan, with next step developments described later on in the plan.

6 Strategic Service Plan

The Health Board has a clear strategic direction for the development of clinical services and the associated development of estate and infrastructure, which has been developed by clinicians. Known as the Clinical Futures service strategy, this articulates this model of care and has been the framework against which service developments in the Health Board and the former NHS organisations have been developed and referenced. The strategic objectives for the Clinical Futures Programme focus on:

- improving health outcomes and reducing health inequalities though effective health promotion and disease prevention programmes:
- moving services into the community where it is clinical more effective and safe to do so;
- ensuring that services meet acceptable standards of safety and quality as stipulated by the Standards for Healthcare Services and deliver the best possible outcomes for patients;
- improving integration and continuity of care for patients between different professionals, settings and providers;
- concentrating specialist and critical care services in fewer locations to reduce risk and deliver better clinical services for patients;
- developing a service configuration that is sustainable from clinical, patient experience and financial aspects.

This is a whole system vision that takes into account the role of the individual, primary, community, intermediate, secondary and tertiary care and is consistent with the Welsh Government published strategic framework for primary and community services 'Setting the Direction'. The approach is represented on the following diagram:



The concentric rings represent the various levels or settings for care within the local health community. The arrows represent the patient pathways, starting in the home or community settings, and reaching inward through local hospital care to specialist care as required. At each stage the model aims to maximise the services and care available locally that can prevent the patient needing to go further down the pathway.

Public Health

In terms of public health, it is the Health Board's aim to eliminate inequalities in health status through partnership, ownership and empowerment. The Welsh Government publication "Our Healthy Future" provides a strategic framework for public health action in Wales until 2020. The Health Board has used two of the six themes – health through the life course and health inequalities – to provide a structure for identifying needs and priorities over the coming year.

Adopting the life course approach to public health is useful for a number of reasons:

- the people, their needs and the opportunities for public health services to intervene are different at different stages in life;
- by identifying and acting on the needs specific to different life stages we can help to prevent inequalities in health;
- different front line services and professional groups are responsible for providing care to people at the different stages of life – this has important implications for improving integration of overlapping services for particular population groups and for age-related transition through service systems.

In terms of identifying needs and priorities, the Welsh Government has been advocating that Health Boards, Local Authorities and their partners adopt an outcome-based approach – Results Based Accountability (RBA) = as the new framework for planning and monitoring public services. The advantage of RBA is that it provides a clear line of sight from the outcomes, to the causes and then to the priorities for action.

To support the application of RBA, the Health Board and Gwent Public Health Team have recommended a set of outcomes at critical points across the life course.

- babies are born healthy

- pre school children are safe, healthy and develop to their potential
- school aged children and young people are safe, healthy and equipped for adulthood
- working age adults lead healthier lives for longer
- older adults age well into their retirement
- frail people are happily independent

To this end, progress on all ten areas of "Our Healthy Futures" must be made. The Health Board has prioritised the five areas of smoking, obesity, alcohol misuse, teenage pregnancy and oral health.

Clinical Services

The model of care highlights the need for change and supports a "whole systems" approach to underpin the development of sustainable health and well-being services in the area. The key to the new model of service is a re-balance of care between primary, community, secondary and tertiary services by:-

- increasing the range of services provided in communities through primary, community and mental health services using "Setting the Direction" as a model framework (Level 1);
- developing a new network of Local General Hospitals providing routine hospital services including emergency care, day case and short stay surgery, outpatients, diagnostic and integrated care, together with mental health services (Level 2);
- developing a single Specialist and Critical Care Centre (SCCC) providing specialist and critical care services that cannot be provided on multiple sites based on sustainability, clinical effectiveness, patient safety and affordability (Level 3);
- developing specialist mental health services (Level 3).

Several significant components of the model have already been implemented or are well underway in their development including:-

- The establishment of Community Resource Teams in each Locality and supporting infrastructure (including the interim single point of access service);
- The opening of Ysbyty Ystrad Fawr in Caerphilly in 2011; and
- The agreement to specific primary care resource centres, for example the Caerphilly North Resource Centre.

To maximise return from these substantial capital developments, the Health Board is focused on delivering the service modernisation set out in the Clinical Futures model in order to get the most of these facilities. For example, to realise the new service models that have been developed for these hospitals, there is an integrated programme to enhance capacity in primary and community services, and as such, a significant agenda of modernisation, reform, investment and, where necessary disinvestment, is under way in all Localities within the Health Board area.

The organisation is now concentrating on completing the Outline Business Care for the Specialist and Critical Care Centre so we can proceed to Final Business Care and consequent construction. This component of the model is critical to releasing the benefits of the Clinical Futures model. The Health Board now faces more significant challenges than those envisaged when the Clinical Futures Strategy was first described, in sustaining specialist and critical care services across multiple sites. The challenge of maintaining the current configuration of services from both a clinical governance and financial affordability perspective has heightened.

7. Our Plan for 2012/13

7.1 Our Service Plan

Over the past two and a half years, the Health Board has a solid track record of improving performance, year on year, against a range of performance, targets and quality outcomes measures. We have delivered better services to our population while achieving significant cost reduction, avoidance and savings totalling over £130M. Table 3 sets out a reminder of the main programme areas of work for the Health Board, as set out in our Five Year Framework to deliver our service strategy.

- Table 1 - Main Programme areas of Work 2010/1 – 2016/7

Safety, Excellence and Quality	Stop wasteful clinical interventions
	Achieve a 'no waste no unnecessary variation' culture for service delivery
	Develop quality improvement capacity at front line
	Inform and engage patients in their care and their role in its success, including benefits of smoking cessation prior to scheduled clinical intervention.
	Deliver the All Wales Cancer Targets
	Implementation of Stroke Pathway
Delivering Patient Centred Services	Setting the Direction (Frailty Programme – Implementation of Community Resource Teams)
	Develop new care settings and improve long term care pathway
	Improve quality of continuing health care through health and social care integration
Empowering our Staff	Reducing the use of bank and agency staff
	Establish service line management and patient-level costing
	Modernise the workforce
	Develop quality improvement capacity at front line; recognise and reward success
	Provide Board level leadership with clear expectations of staff
Achieve better use of resources	Develop a "get it right first time, every time" culture across the Health Board

	Improving acute care performance
	Medicines Management
	Develop a whole system unscheduled care service for the Health Board
	Matching whole system capacity to demand for scheduled care services
	Improve primary and community care performance
	Improve mental health service provision – delivering more care outside of hospitals. Aligning older people with mental health needs with Frailty Programme
	Improve procurement and supply chain
	Implement cross-system patient information and informatics (Clinical Communication Hub)
	Reduce length of stay
	Improve access
	Service Design
Improving our Public Health	Increasing the systematic referral of selected patients to evidenced based services supporting lifestyle changes
	Reducing the number of falls in older people
	Developing a comprehensive strategy for dealing with alcohol and substance misuse
	Securing a Platinum Corporate Health Standard award
	Increasing the effective management of vascular risk
	Supporting Communities First clusters and Local Service Boards with the inclusion in their key plans of evidence based health improvement actions and joint service improvements
	Implementing the Health Inspectorate Wales (HIW) and Wales Audit Office (WAO) recommendations for maternity and new born care services

Despite significant progress made in these areas in 2011/2012, some major challenges remain, which feature in the 2012/2013 service plans and priorities. These include:

Public Health: We aim to become an increasingly health promoting organisation, with all staff able to support patients with personal lifestyle changes to improve their health status; and polices which create a health promoting social and physical environment. We also aim to support our partners in promoting both personal lifestyle and

environmental changes to improve public health. The Health Board has developed a set of key targets that will be progressed during 2012/2013, they are:

- implement best practice in smoking cessation;
- prevent falls in older people;
- reduce the burden of alcohol misuse;
- improve health at work;
- effective management of vascular risk;
- reducing obesity;
- deliver on progress made with vaccination and immunisation requirements.

Setting the Direction: the Health Board is fully committed to the principles set out in "Setting the Direction" which is consistent with the strategic direction of the organisation as set out in the Clinical Futures Strategy. 2012/2013 marks a period of heightened effort to making significant strides in delivering the benefits from our investment during 2011/12 in developing:

- 12 Neighbourhood Care Networks led by GPs, focusing on improving same day access in primary care, making the best use of medicines and managing demand and working with clinical leaders in acute care to adopt a system wide approach;
- Community Resource Teams (CRTs) in all Localities, aligned with, and supporting the delivery of whole system pathways for unscheduled care, chronic disease management and continuing health care;
- communications hub to support access to services, care co-ordination and directing patients to the most appropriate service to meet their clinical needs;
- improved patient flow by improving the hospital - community interface through the implementation of a Health Board wide "pull" system that minimises the number and length of hospital admissions;
- improved long term care and Continuing Healthcare arrangements;
- optimising the contribution of primary care contractor services to patient pathways through more effective integration of service planning and delivery.

The approach adopted by the Health Board is being delivered through robust partnership arrangements and joint working with the five Local Authorities and the Third Sector.

Unscheduled Care: delivering sustainable unscheduled care services remains a key challenge for the Health Board. Considerable progress has been made identifying the components of the pathway and how they inter-relate and impact on each other, together with agreed plans to transform the system. During 2012/2013 the focus will build on the progress that has been made to implement a whole system unscheduled care pathway that ensures patients access services that are proportionate to their need, for most in primary and community settings. Examples of the work programme include:

- same day access to primary care supporting 24 practices to match capacity with demand, review practice systems and processes, workforce skills and competencies to optimise same day access;
- clinical decision making support in Ambulance Control;
- reducing unnecessary ambulance conveyances to Emergency Departments;
- case management of patients with chronic conditions to reduce their reliance on hospital based services (including people living in their own homes or those residing in nursing and residential homes);
- redesign Emergency Department clinical workforce, matching senior clinical workforce capacity with demand;
- strengthening operational links between locality CRTs and inpatient services to maximise patient flow.

The approach adopted by the Health Board is being delivered through robust partnership arrangements and joint working with primary, community, secondary care clinicians and Welsh Ambulance Services Trust.

Mental Health and Learning Disabilities: during 2010/2011, Mental Health Services have delivered Crisis Resolution Home Treatment Teams across the Health Board area. In 2011/12 this service model was implemented in South Powys. During 2011/12 an Integrated Health and Social Care Mental Health and Learning Disabilities Services Strategy was developed in partnership with services users and the Third Sector. During 2012/2013 this new strategic direction will be progressed by:

- development of joint plans to deliver the strategies;
- implementation of the Mental Health (Wales) Measure;
- establishment of a Health Board wide Dementia Board to oversee a systems wide response to the delivery of the dementia action plan across the Health Board;

- develop and implement plans to further increase community based mental health services for older adults, and redesign of inpatient services;
- consolidation and expansion of mental health clinicians in Emergency Department workforce
- The service will also move forward with service arrangements to respond to the new Mental Health measures.

Scheduled Care including Orthopaedics: developing sustainable service model for scheduled care services is a key priority for the Health Board, in particular reducing reliance on external providers for non-specialist services. During 2012/13 the focus of work will include:

- creating Day Case capacity to facilitate a higher throughput of elective case on a day case basis;
- increasing utilisation of theatres through better scheduling;
- development of joint treatment programmes to provide an evidenced based alternative pathway to elective joint replacement therapy;
- review and redesign of the pathway to develop a 'best in class' model that address clinical and efficiency indicators;
- developing options for sustainable emergency surgical services;
- optimising outpatient capacity;
- continuing to deliver waiting times for all specialties, but with a continuing national focus on orthopaedics.

Cancer Services: delivering high quality cancers services that deliver good clinical outcomes and improved survival rates is a key priority for the Health Board. During 2012/2013 will focus on:

- implementing best practice in the treatment and rehabilitation options for patients with cancers, including improving patient tracking and ensuring improvements in multi-disciplinary working;
- continuing to sustain and improve compliance for All Wales Cancer Standards;
- the achievement of access targets for cancer patients will remain a priority; and
- responding to the requirements of the new Cancer Plan (currently subject to consultation).

Family Services

i. Obstetric, Maternity and Neonatal Services: maintaining safe and sustainable maternity and newborn care within the current configuration of hospital estate remains a challenge for the Health Board. In respect of

neonatal care, this challenge is shared across the South Wales area. The Health Board actively participates in the National Neonatal Steering Group and will work with partners to achieve sustainable solutions for the short, medium and long term. During 2012/2013 we will:

- explore options to maintain safe and sustainable neonatal services that respond to the Neonatal Capacity Review and All Wales Neonatal standards;
- develop options for sustainable services for paediatrics, maternity (obstetric led delivery) and gynaecology services that are provided across multiple sites;
- Continue to develop our midwifery-led units as good practice areas;
- Participate in the development of national network arrangements for Child and Adolescent Mental Health Service, and review and develop local services in the light of the Mental Health Measures

ii Children and Young People's Services: building on achievements and in close partnership with our Local Authorities and the Third Sector, the 2011/14 Children and Young Peoples Plans have been developed and implementation will continue during 2012/13. Key areas of work relating to children during 2012/2013 include:

- Implementing a new integrated service model for all Children's centres across the Health Board following the successful opening of Serennu (South Gwent Children's Centre) in 2011/12.
- Develop plans to reduce the number of children in Out-of-County Placements;
- Implement the health visiting and school nursing plan;
- Respond to recruitment difficulties with medical staff;
- Develop holistic paediatric services, which allow a strong community service focus, alongside hospital assessment and specialist support when necessary.

Reducing Waste, Variation and Harm within the original All Wales Five Year Framework "Delivering a Five-Year Service, Workforce and Financial Strategic Framework for NHS Wales", Welsh Assembly Government, June 2010, waste, harm and variation (WHV) reduction was envisaged as a methodology to improve quality, efficiency and deliver financial stability. Clinical Directorates, Divisions and Localities have developed WHV plans which relate to core business. For example, the Scheduled Care Annual Plan includes:

- reduction in unnecessary imaging procedures (USS and lower back MRI);

- improved efficiency of orthopaedic out patient follow up procedures/ virtual follow up where clinically appropriate;
- reducing procedures of limited clinical benefit (injection of non-specific low back pain);
- identification and quantification of opportunities for further implementation of the Interventions Not Normally Undertaken policy within both Primary and Secondary Care.

Access and Referral to Treatment (RTT): the Health Board places a high priority on achieving access targets; we recognise the benefits and impact of early assessment and treatment on health outcomes and its role in supporting our aim to reduce health inequalities. The Health Board has a solid track record on delivery against these targets over time for the majority of our services. We recognise that we need to develop sustainable service models and during 2012/2013 the Health Board will:

- demand and capacity modelling linked with improved utilisation of outpatient and theatre resources, progressing toward "best in class";
- improve referral pathways;
- develop sustainable services to reduce access times.

Development of the Specialist and Critical Care Centre and Local General Hospitals

As seen earlier, the Clinical Futures Strategy sets out plans to transform the delivery of healthcare for the people of Gwent and South Powys, through the expansion of primary and community based services supported by a network of Local General Hospitals providing routine hospital based care and the consolidation of specialist and critical care services on a single site, in a location that optimises access to the population served by the Health Board.

The second of these new generation Local General Hospitals, Ysbyty Ystrad Fawr, opened in November 2011 and was delivered to specification, cost and time.

A high priority for 2012/13 will be the completion of the Outline Business Care for the Specialist and Critical Care Centre, following the Minister's continued support and commitment for this project.

The overall intention during 2012/13 is to change the balance of the system of care we provide, with an increasing focus on:-

- Shifting services strategically and operationally to the primary and community environment;
- Shifting services strategically and operationally for non-specialist hospital based services from external providers to local services;
- Developing services across the Health Board sites;
- Maximising the clinical and cost effectiveness of medicines
- Meeting the performance challenges by improving the way the system works (demand management, matching capacity and demand, better use of all our resources)
- Addressing the difficult choices about service configuration, patient safety and better clinical outcomes

Regional and National Developments

A number of our service plans and priorities will continue to be influenced by, and influence directly work carried out in the regional and national arena. Work will continue with our Regional and National partners, including the Welsh Government, Trusts and Local Health Boards, in a number of areas including:

- impact of Review of Orthodontic Service provision;
- impact of Regional Orthopaedic Review;
- the National Pathology and Radiology Programmes
- development of Regional Head & Neck and Urology cancer services;
- development of Satellite Radiotherapy and Renal units;
- regional solutions to resourcing of the Sexual Abuse Referral Centre (SARC) for 2013/14
- work with Clinical Networks;
- Information management and technological developments;
- shared Services Programme

Our Divisions and Localities will continue to drive up standards and achieve further efficiencies as outlined in their individual Annual Plans for 2012/13.

7.2 Our Workforce Plan

The development of a workforce plan which delivers services changes and financial balance will require a step change in the approach to future workforce and its focus in terms of skills, flexibility and productivity. This will require the workforce to be engaged with the strategic direction of the Health Board and to have the skills and motivation to deliver the radical approach to transformation required. An integrated service and financial workforce plan will be developed. This will reflect the major changes required to deliver significant service improvement and financial savings over the next 12 months beyond. The plan will focus on both clinical services and corporate functions. Redesigning our workforce in line with the Clinical Futures strategy is core to advancing the Service Strategy in 2012-13 and subsequent years.

To date a number of actions and initiatives have been implemented, including:

- Nearly 20% of the workforce of staff have responded to the change management challenge, by changing their working environment, base, practice or job role;
- The development of new integrated roles to support the development of Community Resource Teams – creating a workforce that can deliver more care outside of hospital setting;
- Improved reporting and tracking of workforce performance data – enabling our clinicians and managers to make best use of our workforce;
- Redeploying our workforce to commission the new hospital at Ysbyty Ystrad Fawr, ensuring our patients experienced a seamless transfer of care as services relocated to this new purpose build facility;
- Introduction of a number of electronic workforce systems including rostering and manager/employee self-service.

The focus for workforce delivery for 2012/13 will be to continue to deliver the shared transformational agenda of the organisation and to increase the pace and momentum of change. This will require workforce reconfiguration and continued improvement of workforce performance. We have already over the last two years delivered more than 40 individual service change issues affecting staff. This pace of change will continue in 2012-13. The continuing need to work in partnership with trade unions will be vitally important allowing an agreement and consultation where necessary.

A major piece of work to undertake whole systems workforce planning to support the Clinical Futures Strategy will be developed with service managers and clinicians. The workforce plan will require the development of a recruitment and change strategy which sets out key milestones. This is still being completed, driven by our needs to confirm the service models around the SCCC, but represents the local workforce "jigsaw" and is intended to be included at a greater level of detail as we produce a revised final plan during March.

The Health Board continues to work closely with local Universities to shape training programmes that equip healthcare professional graduates with the skills, competencies and experiences to work across hospital and community based services. We are committed to the provision of undergraduate education and the postgraduate teaching of health professionals. A Partnership Board also exits between the Health Board and Cardiff University and we have a number of joint posts in place which enables us to integrate more closely with academic work from both an education and research perspective.

A continued focus on workforce performance measures and efficiency metrics will be a high priority. As an example during 2011-12 we have:

- Reduced medical locum spend
- Reduced agency nursing further
- Contained the financial impact of pay increments and inflationary rise

This will ensure the design of the workforce of the Health Board is best in class. The continued rollout of E-systems and the introduction of workforce performance measures will support and drive the agenda to eliminate any waste and maximise workforce productivity. The forthcoming year will focus on maximising the effectiveness and efficiency to realise the qualitative and productivity benefits of all the employment contractual frameworks.

A particular emphasis on Personal Appraisal Development Reviews, which are aligned to the organisation's objectives, will be essential to ensure staff are clear about their individual role in delivering the Health Board agenda. It is important that system changes across the pathways are supported by shared objectives to deliver the transformational agenda. The Annual Plan will reconfirm these expectations and allow us to deploy objectives and priorities to teams and individual members of staff.

Maximising the attendance of all staff at work will be reinforced preventing absenteeism and promoting a fit and healthy workforce to meet the requirements and demands of service delivery. This will be supported through employee well being initiatives and timely access to occupational health services.

The transformational agenda will require robust change management, utilisation of HR practices and policies that are in place and appropriate professional support available to managers and staff to facilitate the change. It will be vital to embed Partnership working at all levels both inside the Health Board and externally to make sure that our staff and service users understand and contribute to the change.

Examples of 2012-13 workforce changes are listed below:

- Completion of SCCC service models and workforce plans
- Implementation of mental health strategy workforce changes
- Responding to fragile service pressures for medical staff in areas such as A&E, Paediatrics, emergency surgery and psychiatry with clinically-led solutions
- Implementing year 2 of the Frailty programme.
- Implementation of New Ways of Working structures within the locality areas to improve the integrated delivery of services along clinical pathways
- Review of corporate functions to ensure best in class models are delivered to improve organisational support and efficiency.

Effective workforce change takes into account the legislative and policy requirements but also the individual concerns of staff members and the process in Aneurin Bevan is based on partnership working between service managers, Workforce & OD, trade union colleagues and members of staff themselves.

Change is challenging at both an individual and organisational level. The Health Board will build on the partnership foundations that currently exists to enable the delivery of the changes described. In summary the following workforce actions will be the focus of 2012/13:

- Effective and responsive change management and partnership working;
- Reinforced attendance at work strategy;
- Integrated Workforce Planning for SCCC;
- Workforce Performance Management;
- Individual Appraisal and shared organisational objectives

7.3 Our Finance Plan

The level of financial challenge for 2012/13, set against what has been achieved in recent years, plus what current updated benchmarking of relative financial performance demonstrates in terms of financial opportunity, and following the outcome of a recently Welsh Government commissioned external review, allows for the Health Board to now describe a balanced financial plan, with risks to be managed and mitigated in order to deliver a breakeven financial position as we go through the financial year.

There has been significant cost reduction, avoidance and savings that the Health Board has delivered in the first two and a half years of existence:-

- The Health Board delivered £49m in savings in 2011/12 - this means that in the first two and a half of years of establishment, we will have delivered in total over £130m in savings and cost avoidance;
- This amounts to another year of delivering over 5% savings for the third year running;
- This performance stands up to comparison with (and indeed exceeds) any NHS performance across the UK (or indeed international systems) and also against other public sector organisations;
- This has been achieved whilst also improving on a range of performance areas, targets and quality outcomes;
- In terms of delivery, from £49m of savings made we will have:
    - Delivered £7m of additional savings, cost avoidance and containment in medicines and drugs and other consumables
    - £7m delivered in procurement and non-pay savings
    - £8m in improved continuing health services

An updated Financial Plan for the Health Board is being considered for approval by the Board as its meeting on 23rd May. Building on that previously contained as an appendix to the Annual Plan, and also accounting for where the continuing development of the financial plan for this financial year has been influenced by the Welsh Government external review, which has been undertaken in the intervening period, and recent further discussions with Welsh Government, this paper specifically covers:-

- an update on the financial challenge facing the Health Board in 2012/13, with checking of this based on some external risk assessment and the quantification of upside and downside risk;
- an update on the deliverable detailed plans that have been and are continuing to be developed to meet this challenge, including how the Month One performance is set in this context;
- the residual "risk range" to be managed in order to breakeven this year;
- how this is planned to be managed and the continuing development of the contingency plan to do so, including the need for additional stretch targets and to plan for overachievement;
- the translation of all this into a detailed financial plan, set against the five strategic change areas plus other areas of focus;
- the scoping of a potential sixth area of strategic change, that relating to demand and capacity modelling and management, following the external review;
- a summary of the financial plan set against the main areas of delivery;
- how these plans profile across the year and what this suggests in terms of monthly financial performance;

The challenge for 2012/13 now stands at £48m, which includes the need to repay the £4.5m brokerage required at the end of 2011/12. This is detailed in the table below.

Assessment of financial challenge

		Potential to be managed through:-	
	£000s	**Cost avoidance £000s**	**Savings requirement £000s**
Allocation adjustments	4.50	0.00	4.50
Underlying recurring position brought forward	17.87	0.00	17.87
Estimated impacts on cost base for:-			
Pay issues	2.14	0.00	2.14
Non Pay inflation	4.30	0.00	4.30
NICE	3.19	2.39	0.80
CHC	1.32	1.32	0.00
Primary Care Drug Prescribing	3.50	1.75	1.75
Pharmacy	1.49	0.74	0.74
Statutory Compliance	0.63	0.63	0.00
Specialist Services incl NICE	3.74	3.74	0.00
Local cost pressures / developments	5.49	5.49	0.00
Total financial challenge 2012/13	**48.16**	**16.06**	**32.09**

Confidence in the deliverable savings schemes, plus cost avoidance and containment, along with an initial level of "stretch" recognised within emerging plans has increased to over £30m from c£25m, however this still leaves a c£16m gap. The external review however requires a much more challenging and ambitious level of stretch targets for delivery, predominantly through the five key areas of strategic change.

The emergence of a contingency plan came ahead of discussions with Welsh Government following the external review. It incorporates the most significant recommendations of this review with a requirement on the Health Board to push these further forward for delivery.

Bringing the above contingency planning together with the current financial plan results in a summary financial savings and cost delivery plan as follows, set at this stage to at least plan to overachieve against the "most likely" requirement, to build in some element of headroom and additional contingency. A further key outcome from the external review was to plan for overachievement, therefore building in naturally some contingency for slippage, or non delivery, in some areas.

					Plus contingency				
	"Amber / green" Divisional plans £000s	Plus additional deliverable £000s	Plus additional stretch already identified £000s	Total Pre Contingency £000s	Half of "Red schemes" £000s	Additional stretch / contingency plan (to "most likely") £000s	Target (to "most likely") £000s	Plus additional stretch (to create headroom) £000s	Target (to create headroom) £000s
Team effectiveness	0.8	1.5		**2.4**	1.7	2.0	**6.0**	1.0	**7.0**
100,000 bed days	0.5			**0.5**	0.4	2.0	**2.9**	1.0	**3.9**
Service reconfiguration	2.5			**2.5**	1.0		**3.5**		**3.5**
Medicines management	5.0		1.0	**6.0**	1.0		**7.0**		**7.0**
Effective commissioning	0.7	4.1		**4.9**		2.0	**6.9**	1.8	**8.7**
Total 5 change programmes	**9.6**	**5.7**	**1.0**	**16.2**	**4.0**	**6.0**	**26.3**	**3.8**	**30.1**
Plus that not through these work streams (to reconcile):-									
CHC	4.9			**4.9**			**4.9**		**4.9**
Procurement	1.7	2.2	0.3	**4.2**			**4.2**		**4.2**
Management costs	1.0			**1.0**			**1.0**		**1.0**
Workforce:-									
VERS				**0.0**		1.8	**1.8**	0.7	**2.5**
Variable pay, including e-rostering				**0.0**		1.5	**1.5**	0.5	**2.0**
I2S - medicines management				**0.0**		1.4	**1.4**	0.0	**1.4**
Further stretch on Divisional plans				**0.0**		1.7	**1.7**	1.3	**3.0**
Additional cost containment expected		5.0		**5.0**			**5.0**		**5.0**
Total to reconcile to challenge / requirement, etc	**17.1**	**12.9**	**1.3**	**31.3**	**4.0**	**12.4**	**47.7**	**6.3**	**54.0**

It is accepted that, again in 2012/13, not all of the schemes planned to result in financial balance by the year end will be delivered evenly throughout the year. This could result in the more traditional approach of presenting a monthly financial position which in effect builds up an increasing number at the start of the year and falls away as recovery plans, recurrent and non recurrent, are stepped up and delivered ahead of the year end, producing a significantly reduced financial position than that which might have been expected for the majority of the year.

Improved profiling of plans and budgets should help to avoid an element of this, but this is not without risk in itself.

This is the last year that it is planned to do an annual financial plan. Following both the recommendations of the external review, and in line with the direction from WG, during the first half of 2012/13 a much more detailed, integrated revenue and capital financial plan and strategy for the Health Board will be developed, consistent with the medium term annual plan. This will be constructed for at least the next three financial years. The introduction of a more “rolling” detailed 18 months plan (at any point in time and updated every six months) will also be explored.

8. Delivery Approach for 2012/13

The Health Board is totally committed to the principle that quality and patient safety must be at the centre of delivery of health services, which are effective and deliver value for money. Our role is to create an organisational philosophy and culture based on performance improvement from Board Level to the operational frontline. We will make this happen by working with our staff and partners, using key enablers/supporting strategies within a performance management framework driven by clinical and organisational governance.

The organisation is building on its foundation of performance delivery, refreshing and refocusing our performance delivery framework for 2012/13, to support Localities, Divisions and Services meet their agreed service, workforce and financial plans. The overall arrangements will hold Localities, Divisions, Services and Corporate areas to account, linked to budget control procedures and adopting the principle of earned autonomy.

We are committed to maintaining and improving on our performance against the Welsh Government's quality and delivery process, as expressed through the Annual Quality Framework. The first quarter of 2012/13 will see a continuation of compliance against Tier 1 priorities. The Health Board will be well placed to respond to new priority areas in the second quarter of 2012/13. We understand the focus will be:

- Primary care
- Cancelled operations
- Response time to complaints
- Neonatal services
- Critical Care
- Maternity
- Patient Experience and Dignity of Care

We recognise that delivering a sustainable health care system for Gwent requires a more focused, collective, organisation wide approach, and through our interactive sessions between clinicians, managers and the Board have identified five priority change programmes, shown in Table 2 below that will be supported by the organisation to support system wide delivery. This will allow us to support the transformational actions required to achieve balance this year.

- Table 2 - Five Priority Change Programmes 2012/13

Programme	Opportunity
Saving 100,000 bed days	The Health Board is reshaping its service to provide more care in the community to keep people independent, well and out of hospital. We know that people with long term illnesses like diabetes or breathing problems are known to rely heavily on health services, accounting for 4 out of 5 GP visits and 1 in 3 hospital admissions. Providing better care in the community, empowering patients and their carers to understand and manage their long term conditions with better organised care, closer to home is the way forward. We also recognised that the quality of care provided to the population fall short of what should be possible – as much as 20% of money spend on health care is wasted on overuse, misuse or underuse of treatments and investigations. Improving system performance by tackling inefficiencies will lead to doing more with fewer beds.
Harnessing opportunities in commissioning	Historically our healthcare system has relied on hospitals outside of Gwent to meet the needs of some of our population. Last year we spent £180M on a combination of specialist and non-specialist hospital services outside of the Gwent area. £75M relates to non-specialist care. Developing capacity within our system to provide high quality non-specialist hospital services to all our population will result in a more accessible and more sustainable local healthcare system.
Reconfiguring services inline with Clinical Futures	Clinical Futures has already given us our local framework and we continue to use this as the core of our service discussions. No matter how much pressure on resource there is, the principle goal of the Health Board is to achieve the highest possible standards of care. In general terms, it is widely recognised that at any one time 20% of patients will require the support of specialists to meet their clinical needs, the remaining 80% have general health care needs. There is strong evidence that the more specialised that doctors and other clinician's become, the more that outcomes for patients improve. Specialists become proficient in dealing with large volumes of similar complex cases. If located in specialist centres they can access the best equipment and develop their skills by working alongside other specialists. Another area with the potential to improve care is by basing some other services nearer to where people live. Providing care closer to home, improving access to timely treatment. Clearly there are some important choices to be made about getting the balance between centralising specialist service to improve quality

	of care, with some patients having to travel further to receive that care, and maximising the range of services that can be provided closer to home. Aligned to this is the need to ensure that our workforce balance, particularly between highly competent generalists and those with specialist skills, is designed to meet the needs of our population.
Delivering access through team effectiveness	Delivering the benefits of integration through better design of patient pathways for elective care is critical for the future sustainability of the local healthcare system. In order to plan growth and manage demand effectively we need to strengthen integration across primary and secondary care services to ensure that patients assess the most appropriate service, at the most appropriate time, in the most appropriate place to meet their healthcare needs. Equally there needs to be a stronger focus on effective team working within secondary care services - redesigning workforce to ensure that the time, skill and efforts of our staff is focused on supporting effective patient centred care. Continuously improving core processes, including booking and scheduling systems remains a high priority to enable clinical teams to operate effectively.
Making the best use of medicines	Treatment with medicines is one of the most cost effective medical interventions providing alternatives to expensive interventions and hospital admissions. The World Health Organisation have reported that more than 50% of all medicines worldwide are prescribed, dispensed or sold inappropriately and 50% of patients fail to take them correctly. Common types of inappropriate use of medicines are:- • The use of too many medicines (polypharmacy) • Inappropriate use of antibiotics, often in inadequate dosage for non-bacterial infections • Over-use of injections when oral formulations would be more appropriate • Failure to prescribe in accordance with clinical guidelines • Inappropriate self medication, often of prescription only medicines. In the past few years the Health Board has made progress in reducing the burden of prescribing on the health system. Building on this success adopting a more strategic system wide approach to making the best use of medicines is now required, whilst redoubling our efforts to eliminate waste.

We believe these areas: -

- Represent substantial financial and service improvement opportunities
- Require system wide change and integration of systems, pathways, responsibility and accountability for delivery;
- Need strong leadership and oversight to ensure delivery;
- Represent a shift from traditional ways of working to taking risks on a more radical change agenda.
- We want those working for and with Aneurin Bevan Health Board to be excited by the environment ahead of us and the expectations placed upon us.

Each change programme will be designed to reflect the specific requirements it needs to address. There will, however, be some common features based on what is known to be effective practice.

- **Clear oversight arrangements:** each change programme will have an Executive Director led mechanism to keep track of and challenge process, solve practical problems and implementation advice to those accountable for delivery.
- **Nominated Project Leads** each change programme will comprise of a number of projects that sit with Neighbourhood Care Networks, Localities, Divisions and Directorates. Designated leaders will be identified and given authority and responsibility to advance the project on the organisation's behalf.
- **Good appraisal and plans** it is imperative that everyone within the organisation knows what will be delivered, by whom and when. Understanding the anticipated impact (service, workforce and financial) and the course of action that will be necessary for delivery will be the primary focus of the final version of the Annual Plan 2012/13.
- **Wide ranging engagement with management and service / clinical delivery teams** clinical and managerial leaders, together with service delivery teams are actively involved in shaping the actions and projects that will deliver the change programmes. The Programmes are being designed to both drive and support front line staff, so it is critical that our workforce understand their rationale, scrutiny and support arrangements.

- **Team based working that is set up to deliver** those working on each of the programmes should feel that they receive adequate challenge, direction, authority and support to deliver their plans. Aligning capacity across the system to support changes programmes will be essential – corporate functions must be aligned to support service delivery teams, service delivery teams must be aligned to support the integration of the planning and delivery of system change.

- **Clear accountability** clinical and managerial leaders, together with service delivery teams have clear accountability (at all levels of the structure and across the system) for the delivery of these priorities – specifically understanding the contribution that their efforts will make as part of the wider programme.

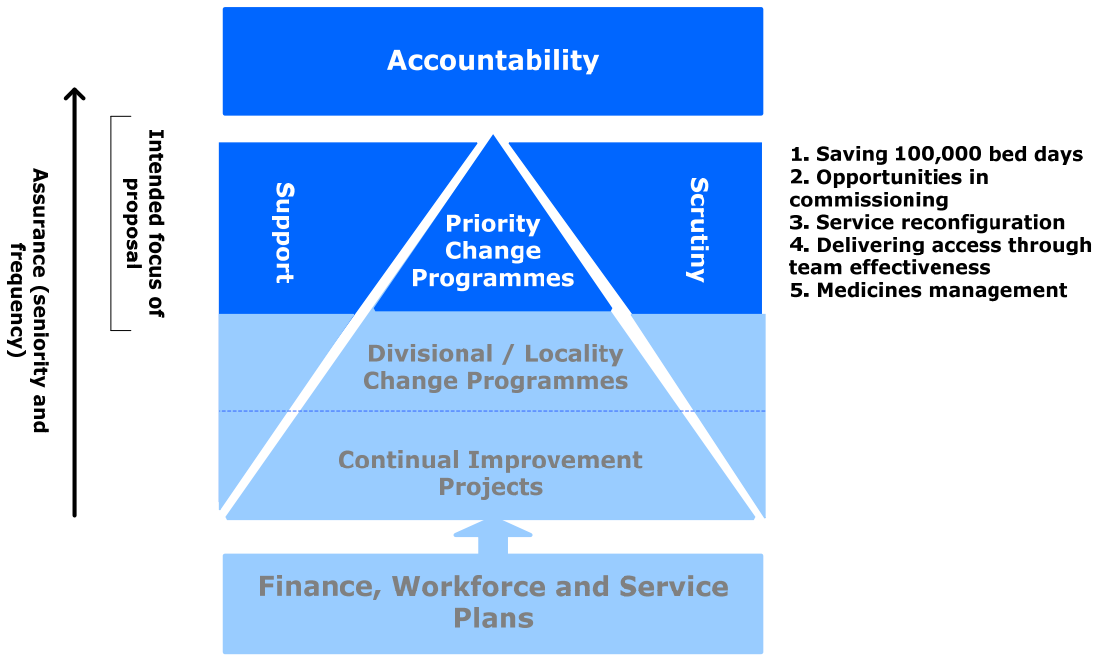
- **3 year plans** some change programmes will deliver benefits over an extended period of time, the final version of the Annual Plan will profile anticipated benefits over a three year period, with the probability of an increased level of delivery on years two and three of the programme.

- **Clear communication** that is centrally supported and conveys direction and progress around the change programmes will be a key feature, ensuring that those directly involved and the organisation as a whole are aware of and contributing to delivery.

- **Celebrating success** it is important for those that have led projects to know that their efforts have been appreciated and deliver impact that contributes to a sustainable health care system for Gwent.

These aren't a definitive list of everything that the Health Board will need to do; rather they are some substantial areas that with Board backing and aligned support, we feel could pay dividends. Our approach to delivery in 2012/13 is positioned within Figure 4.

• Figure 4 – Approach to Delivery – 5 Change Programmes



The change programmes are an important vehicle to improve the quality and effectiveness of services and to monitor delivery of key priorities. The table below highlights some of the key objectives with targets for the Health Board in 2012/13 listed under the change management programmes which will benefit from their achievement. The priorities will be led by an Executive Director and the appropriate change programme is highlighted to illustrate where the benefits will be incurred.

Change Programme Area	Target	Executive Lead	By when
Saving 100,000 bed days	Reduce bed days by 30,000 Increase DOSA rates to 80% Reduce CDiFF cases by 30% Reduce pressure ulcer cases by 30%	Medical Director Performance Director Nurse Director Nurse Director	March 2013 December 2012 March 2013 March 2013
Harnessing opportunities in commissioning	Achieve repatriation of patient activity to the value £3.1M in fully implementing the YYF business case	Finance Director	March 2013
Reconfiguring services inline	Reduce demand for Outpatient services by 5%		March 2013

with Clinical Futures	Agree EDD targets for key conditions in respiratory medicine and cardiology	Director of Planning and Operations	November 2012
Delivering access through team effectiveness	Achieve 90% PADR rates by March Reduce DNA rates for new Outpatients to 6.5% Make sure that no patients wait more than 26 weeks for an Outpatient appointment and sustained thereafter Achieve the 70% target for Ambulance Handover at RGH and NHH Reduce surgical cancellations in Orthopaedics by 20% And further increasing to 30% Improve Day Surgery rates by 3% Increase core activity by 4% in outpatients for 12/13 Reduce sickness rate to 4.9% Reduce demand for major joint replacement by 200 cases	Director of Workforce and OD Performance Director Performance Director Director of Planning and Operations Performance Director Performance Director Performance Director Director of Workforce and OD Director of Therapies	March 2013 December 2012 November 2012 September 2012 March 2013 March 2013 March 2013 December 2012 March 2012
Making the best use of medicines	Maintain performance levels for low acquisition cost statins as % of all statins, ezetimibe and ezetimibe combinations within the upper quartile (95,11%) ABHB Baseline 92.11% Dec 2011 Maintain performance levels for morphine items as % of strong opioid items within upper quartile (50.6%) ABHB	Director of Primary, Community and Mental Health Services Director of Primary, Community and Mental Health Services	March 2012 March 2012

	baseline 41.23% Dec 2011.		

Skills and Capacity

It is important we respond to the need for skills and capability through the organisation, not least in respect of the quality and continuous improvement agenda. Delivering on our agenda requires us to give our staff, our managers, our clinicians the skills they need to act quickly, make change and deliver good services. We know that further progress of a plan which balances service needs with workforce and finance requires further focused support and a programme approach to improvement. The pace needed in the current outlook is a different experience and skill that has be to developed within all levels of our staff. We recognise that our staff need to have the skills they need to do their job, but also knowledge of the methods for continuous improvement, including using monitoring and performance measures that demonstrate that improvement.

We will be promoting and agreeing with the Board a Centre or Faculty for Improvement to consolidate clear improvement capacity in the organisation, but also ensure that staff are skilled across and within our structures.

Support to clinical teams in the Health Board for improvement work currently comes from a number of sources. The Health Board participates fully in the 1000 Lives Plus campaign, which uses the Model for Improvement devised by the Institute for Healthcare Improvement (IHI) to support quality improvement work in acute and community settings, in primary care and in nursing homes. There is also a corporate Service Improvement team within Planning and Operations, some of whose members have experience in the Lean and Six Sigma improvement techniques. In addition the Organisational Development team supports a number of initiatives, including Team Based Working, Personal Appraisal Development Review, the Knowledge & Skills Framework and Leadership for Quality and Improvement.

These sources of support will be integrated into **Aneurin Bevan Continuous Improvemen**t (ABCI), which will act as the faculty for improvement in the Health Board. The faculty will be populated by team members from the 1000 Lives Plus team, the Service Improvement team and the OD team to form a core of 20 or so staff who work full time to support continuous improvement. ABCI will initially be established on the Health Board intranet site, and will be

developed as a physical centre for teams to come to meet and learn, with a particular focus on clinical and professional development on the improvement agenda. In addition, specific locations will be developed across Health Board sites to facilitate local continuous improvement events.

Figure 1: The Model for Improvement
(Institute for Healthcare Improvement)

The core ABCI improvement tool will be the Institute of Healthcare Improvement (IHI) Model for Improvement, which is well-tested and engrained in NHS Wales through the 1000 lives approach. This requires clinical teams to be clear about their objectives and to put in place a process of measurement that will allow them to judge whether the changes they make to the system of care they operate have resulted in improvement (figure 1). Clinical teams then enter an iterative process so that they base future improvement actions on the observed results of previous actions (figure 2).

Figure 2: The Seven Steps to Measurement

The seven steps to take are:

Step 1 - Decide your aim

Step 2 - Choose your measures

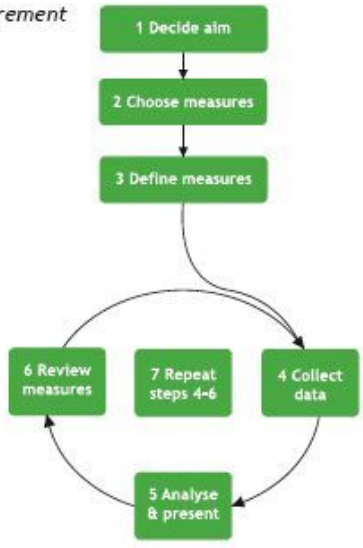
Step 3 - Define your measures

Step 4 - Collect your baseline data

Step 5 - Analyse and present your data

Step 6 - Meet to decide what it is telling you

Step 7 - Repeat steps 4 to 6 each month or more frequently



The IHI model for improvement makes use of driver diagrams to connect improvement efforts in different areas, and run charts are frequently used for measurement.

In addition to a core team of full time staff the ABCI faculty for improvement will support improvement experts embedded in clinical teams and will oversee a programme of training to ensure that all Health Board staff have some familiarity with continuous improvement methodology.

This development, to be considered and approved by the Board, will be a fundamental part of our OD approach in the organisation and recognises the step-up needed to deliver capacity and capability fit for purpose for the challenges ahead of us and specifically in 2012-13.

Accountability

Each Locality, Division and Directorate will be responsible for delivering service improvement and quantifiable efficiencies identified in their broader annual plan, continuing to improve performance, quality and financial stability by reducing waste, variation and harm, with current plans set to deliver a minimum £26m this year. These include:

- delivering more care in community and primary care settings rather than within a hospital setting;
- strengthening the focus on case management of chronic conditions;
- sustained efforts to develop and implement partnership solutions for vulnerable groups including continuing healthcare, frail older people, children and young people and people with mental health problems;
- continuing to improve unscheduled care services across the system including same day access to primary care, reducing numbers of patients unnecessarily conveyed to acute hospitals and achievement of the four hour A&E and handover targets;
- delivering sustainable orthopaedic services;
- take further action to reduce hospital acquired infection rates and to achieve vaccination rates;
- continue to develop workforce plans which facilitate modernising the workforce to complement the changes in service provision;
- further work to deliver greater financial savings and cost effectiveness.

The Health Board will continue to build on its robust Performance Improvement and Management framework. The framework has been established to promote and support the achievement of improved quality of care whilst ensuring value for money, the achievement of targets and the development of a delivery culture. The prime focus of efforts to improve performance will remain the enhancement of patient experience including the efficiency and effectiveness of the care they receive.

This framework is, and will continue to be, based on the development and implementation of local plans clearly outlining priority actions, implementation timescales, key risks, milestones, leadership responsibilities and accountabilities. These local plans provide the vehicles for delivery of the Health Board's strategic vision (primarily but not solely Clinical Futures), priorities and targets.

The performance framework will incorporate a number of key initiatives or processes:

- the identification of, and focus on, a limited number of areas of improvement that will be crucial in determining ABHB's achievement of service and financial objectives for 2012/2013 directors;
- the identification of a lead executive director for each of the identified areas of improvement;
- the consideration and ratification of delivery plans by the Executive Team and Delivery Group;
- the structured monthly checking of progress with plans and the instigation of remedial action and measures where key milestones are not being achieved;
- more frequent (fortnightly, weekly or daily) structured checking of progress in key or problematic areas, e.g. A&E waits or RTT, and the implementation of remedial action and measures where key milestones are not being achieved;
- a review process whereby the Executive Team meets with Divisional Teams on a regular basis to monitor progress and to identify key actions to maintain momentum and achieve targets;
- a dashboard approach to performance monitoring and reporting hinging on the identification of key performance metrics, based on driver diagrams, on a corporate, divisional and directorate basis which allows an effective and accessible mechanism for monitoring progress and identifying need for remedial action;
- the establishment and development of appropriate community information and performance reports which recognise the whole

systems and partnership opportunities to improve performance and the patient experience;

- the improvement of information systems and processes to support the delivery of services. This includes supporting continuous improvement through effective benchmarking and establishing networks with other organizations to maximize learning;
- the identification of areas where additional support is required to progress key actions. This support may be through redirecting internal expertise or resource to support teams or by identifying external support where skills are unavailable within the Health Board.

We expect our Localities, Divisions and Directorates to have clear and ambitious plans for their own areas of responsibility that motivate the organisation to do better and show key milestones for delivery. These can support corporate and strategic priorities but there will inevitably be areas local and peculiar to the individual services.

We also expect our structures to build on the strong delivery ethos that they have demonstrated over the last two years, which is reinforced by the organisations overall performance as acknowledged by Welsh Government. Nevertheless, our aspirations for “best in class” is beyond Wales and we will intentionally use this three year cycle to challenge and deliver better and differently.

9. Enablers

The following sections set out the underpinning and enabling strategies will support the delivery of our work programmes covering:-

- Partnerships
- Capital
- Estates/Service reconfiguration
- Information and Communication Technology
- Performance management

Partnerships

The Health Board continues to build on a strong foundation of partnership working with Local Government and the Third Sector, underpinned by jointly developed and implemented Third Sector Compacts, Health, Social Care and Well Being Strategies, Children and Young People Plans and Community Safety Plans. Projected and current population changes, in particular the rising number of older people within the population, signal potentially significant increases in demand on health, social care and housing services. The implementation of sustainable responses to this projected increase in demand will need to be based on innovative collaboration across partner organisations. As an example of its intention in this regard, the Health Board is implementing the Gwent Health, Social Care and Housing Forum which will develop and monitor a joint programme of work aimed at improving the planning and delivery of services at a community and individual level.

In implementing Welsh Government guidance, which requires local partnerships to move towards the development and delivery of a single, integrated partnership plan at a Local Service Board (LSB) level by April 2013, the following statutory partnerships, which currently oversee and steer the joint Strategies and Plans, will be brought together under revised Local Service Board arrangements:

- Community Safety Partnerships;
- Health, Social Care and Wellbeing (HSCWB) Partnerships;
- Children and Young People's (CYPP) Partnerships.

The single, integrated plans must be based on comprehensive needs assessment, using an outcome based methodology, and reflect the needs of the whole population, at an LSB level, with specific focus on

groups who are disadvantaged, vulnerable or at risk of becoming vulnerable. It is proposed that single, integrated plans are subject to wider scrutiny based on local government scrutiny mechanisms which will focus on the performance of the LSBs as a whole as opposed to constituent partner organisations.

The five LSBs will continue to have a strategic role in providing collaborative leadership and a more integrated approach to public service challenges, and will also need to understand the regional agenda across the Health Board area. Single, integrated plans should enable the agreement and delivery of a set of shared outcomes across partner organisations and will encourage:

- continuing shift towards outcome-based thinking, keeping the needs of people and communities at the heart of planning and delivery;
- significant shift in needs analysis, service design and resource allocation from reaction and repair to anticipation and early intervention; and
- absolute transparency on performance.

The multi-agency development and delivery of LSB based Single Plans provides an opportunity for greater clarity on partnership priorities and a focus on where partnership collaboration can bring the greatest benefits. Development of the single integrated plans will take account of the Health Board's Annual Plan and Five Year Framework, Standards for Healthcare Improvement Plan and the requirements of 'Our Healthy Future', enabling continued focus on the prevention and well-being imperatives in tackling the wider determinants of health through effective partnership working.

It will be important for the Health Board to identify and grasp opportunities to further progress the integration of service planning and delivery across partner organisations, both at an LSB and Health Board level. For example, potential changes to the planning and commissioning of substance misuse services, based on the established Area Planning Boards, should provide an early opportunity to work with partner organisations on an integrated substance misuse strategy.

Some of the key issues we have to tackle together during 2012/13 include:

- integrating mental health and learning disabilities services across health and social care;
- health promotion, disease prevention and safer communities;
- improving the social and physical environment to support healthier lifestyles;
- sustainable development;
- joint endeavours to meet older people's needs in their communities including feeling safe in their homes, and supporting them to live in housing that is appropriate to their needs;
- capturing the opportunity to integrate children and young people's services;
- broader collaborative opportunities in the public service context.

The Health Board is committed to building on our current partnership working relationships with the Third Sector. The development, consultation and agreement of Third Sector Compact Principles underpins our commitment to work closely with the Third Sector in developing, implementing and reviewing health care services for the population of Gwent.

The compact principles articulate our approach to:

- Valuing Third Sector Partners unique role in understanding diverse community needs and the great resource they bring to the development and delivery of services;
- Planning and Contracting for Services with a focus on improving quality, patient safety, efficiency, productivity and patient experience, recognising the need for a consistent approach to contracting processes and the stability and viability of Third Sector organisations;
- Communication founded on mutual trust, openness and which facilitates sharing of good practice as well as rapid identification and resolution of problems and issues.

The overarching principles are reflected in current Locality tripartite/multi-organisational Compact Agreements and annual Compact Action Plans.

Capital

The Health Board's Capital Programme is developed in the context of the Health Board's Annual Plan, Five Year Service, Workforce and Financial Framework; Corporate Risk Register; All-Wales Capital Programme and Capital Resource Limit. It is made up of two elements: the capital funding for all-Wales capital schemes and a discretionary capital allocation.

Funding Context

Any capital investment proposal resulting from the Five Year Strategic Framework or Annual Plan must be set in the funding and timing context of the Capital Resource Limit set by the Welsh Government.

All Wales Capital Programme

The major Health Board schemes within the 2012-2013 All Wales Capital Programme are:

- The Specialist & Critical Care Centre at Llanfrechfa Grange. This remains a key component of delivering the ongoing Clinical Futures service strategy and the Health Board will continue to work towards approval and implementation of this important project. An Outline Business Case is to be submitted to the Welsh Government in December 2012.

- Estate Infrastructure. This is essential Estate Infrastructure works at the Newport Hospitals (Royal Gwent and St Woolos) and Nevill Hall Hospital. This investment is addressing significant risk as part of the interim plan required to sustain hospital services on those three sites for the foreseeable future. Initially this will be in the existing service configuration but developing as part of the clinical network associated with the ongoing implementation of the Clinical Futures Strategy.

Discretionary Capital

The Funding available from the Welsh Government for Discretionary Capital expenditure is undergoing a stepped reduction. In 2011-2012 the allocation was £6.8m but in 2012-20123 the opening allocation is currently anticipated to be £6.4m, with a further reduction to £5.7m in 2013-2014.

The current Discretionary Capital projected start position (based on Welsh Government information) is therefore currently estimated to be £6.4m in 2012-2013 to which the Health Board can add any property sale proceeds. In 2012-2013 it is anticipated that minimal capital will result from such sales.

Discretionary Capital Programme	**Plan**			
	2012/13	**2013/14**	**2014/15**	**2015/16**
	£000	£000	£000	£000
Funding Source				
Total Discretionary in CRL	6,368	5,676	5,676	5,676
Add NBV of Disposed properties				
Less Donated Disposals				
Total Forecast Discretionary Funds	**6,368**	**5,676**	**5,676**	**5,676**
From AWCP				
Prior Year slippage repayable to SCCC	-500	0		
Total from AWCP	**-500**	**0**	**0**	**0**
Total Available Funding to Allocate	**5,868**	**5,676**	**5,676**	**5,676**

The Welsh Government requires the Health Board to develop at least a three year Discretionary Capital Programme. This should include schemes that can be accelerated, should additional capital funding become available. The current draft discretionary funding plan is set out below:

Based on work carried out during 2011-2012 it is clear that in 2012-2013 the programme will face significant demand for capital funding for both equipment and schemes.

A number of previous approvals and potential commitments will be factored in to the start position:

ACTUAL, PLANNED AND POTENTIAL FUNDING COMMITMENTS 12/13	£000
Mental Health Anti ligature Phase 3 completion	301
E-Rostering	11
Health Records – centralisation	500
Replacement PBX RGH	30
LIMS Hardware support for Path	250
IT Support for North Resource Centre	243
RGH Doctors Residences	612
Total Actual and Planned Commitments 12/13	**1,947**

A number of other areas are normally considered early in the year for funding. This includes Environment Programme, Fire Safety and Statutory Estate requirements as well as equipment replacement priorities submitted by the Divisions.

In addition several proposals for potential projects are being developed with a view to approval and possibly implementation in 2012-2013. These include changes to the Main Delivery Unit at Nevill Hall, Endoscopy improvements at RGH, Car Parking for RGH, Children's Assessment Unit RGH, move of Podiatry to County Hospital, A&E resus improvements at RGH, Transfer of Gynaecology Ambulatory Care, Infusion pump replacement programme and improvements to the RGH Entrance.

Depending on the finalisation of the Annual Plan for 2012/2013 other potential capital spending requirements may include:

- Contingency funding for unforeseen requirements:
- Capital requirements of strategic estate and service reconfiguration;
- Spend to save proposals;
- Risk management;

As proposals are firmed up, timetables agreed and individual schemes prioritised it will then be necessary to develop a balanced capital programme for implementation.

Estate/Service Reconfiguration

The estate vested in the Health Board is a prime enabler to deliver the services for the resident population. Clearly more and more services are being provided in the community and in ways which differ from the traditional models of care focused on acute hospitals. Whilst some of this is will be provided in more virtual settings, there will be a continued

reliance upon premises in varied settings to ensure care is provided safely as close to the patient as possible.

The Health Board has inherited a large estate portfolio currently numbering 75 premises (hospitals and clinics). It also has a number of commercial leases in place to provide accommodation for various staff groups and services. This size of estate does not fully portray the scale of the estate when the spread of specific sites and the number of premises contained within a site are also considered. In recent months a number of these premises have been deemed as surplus to requirements as part of the YAB and YYF developments and the delivery of the service strategies surrounding those developments but this still leaves the Health Board with a large number of premises, of varying ages, state and utilisation to manage in a way that supports service delivery.

The Health Board has commenced a review of existing premises, building on work undertaken during the early years of the organisation. This review initially focused on community premises (incorporating primary care premises) to agree the state, utilisation of them and associated costs. This is being mirrored by work on the hospital sites in line with the implementation of the remainder of the Clinical Futures Strategy. Work is also taking place to review estate opportunities across other public sector services.

Managing the estate implications of the service plans is led by the Strategic Estate Group, supported by the Accommodation Group. This facilitates the operational management and changes of space, with the Land & Property Group handling acquisitions and disposals.

There is a recognised issue of backlog maintenance across the Health Board's estate. Managing the risks of such a large and complex estate remains a challenge and work will continue to be undertaken on the RGH site in 2012/2013 to deal with issues specific to that site.

The availability of capital monies will be a particular challenge. If estate is to be reused for other service needs this is likely to lead to premises being refurbished or redesigned and there will be a need to ensure value for money and an affordable strategy at all times. Management of the estate is driven by our clear Clinical Futures Service strategy and the need to deliver that through estate as appropriate. The priorities will be a collectively agreed understanding of the estate and its current and potential uses in order to facilitate service plans. Linked with this will be the need to maximise the utilisation of all space, reduce commercial

leases and where possible rationalise the estate portfolio if the service plans support this. This will reduce risks and cost pressures in the organisation which can be directed towards other service pressures. This programme of work will need wide engagement across the organisation and with other public sector organisations where opportunities present themselves.

In terms of primary care, the Health Board has been working closely with the Welsh Government to develop a programme of Primary Care requirements that are strategically significant to the delivery of the overall Clinical Futures Programme. This is critical to delivering our Clinical Futures vision for primary and community based services and has latterly been validated through 'Setting the Direction'.

The work programme includes 3PD proposals for practice replacement, service developments such as Resource Centres and Improvement Grants. A stock-take of all Health Board and General Medical Services (GMS) premises has also been undertaken which supports the determination of priorities at a local level, in the context of overall service strategies for each Locality, with the focus on service planning as the basis of investment decisions.

Information and Communication Technology

The Health Board went live with the national patient administration system, Myrddin in December 2011, but 2012/13 will be a period of consolidation to improve stability and to explore the depths of functionality within the product, increase levels of training and knowledge in the use of the system in order to extract maximum benefit. To this end the Health Board will also explore the use of the other Myrddin modules including for District Nursing (Community) and seek to extend the number of interfaces to this core information system.

The Health Board will procure a product known as Digitised Health Record (DHR) which will incorporate the scanning of paper clinical documents (e.g. Health Records), viewing, electronic forms capture, and workflow management whilst interfacing with Myrddin and integrating with the clinical portal. The first stage for 2012/13 of this major 4 year project is to address core specialties in our acute sector. It is expected that this will be a facilitator to the review of clinical and clinical support processes and will become fundamental to managing records and clinical work flows. Clinical Futures informatics design expects electronic documents, without which modern hospital design

cannot be optimised. This will begin to address our very significant records storage, retrieval and access issues.

The National Laboratory Information Management System (LIMS) is planned to be implemented in the Health Board during 2012/13. This is a major system transition whose output is core to many areas of clinical activity. A prerequisite will be to provide GPs with an electronic means of ordering tests, and the national GP Test Requesting (GPTR) system is expected to be installed in all the Health Boards GP Practices (92) prior to LIMS commissioning.

The electronic transmission of clinical information to GP Practices will commence starting with electronic discharge information, and eventually other clinical correspondence that we hold electronically. The national Welsh Clinical Communication Gateway (WCCG) will be the vehicle for this.

In support of this we will extend the Health Boards eDischarge module to other clinical areas in order to maximise the availability of electronic discharge information to GPs. This remains an important quality improvement initiative in acute/primary clinical communications.

Using WCCG, we will seek to transition our own very successful GP eReferrals system to the national GP eReferrals system.

Gwent Frailty programme involvement will continue via the Information Sharing and the Single Point of Access work stream where we will continue to facilitate this new and evolving clinical delivery model. Further technical developments are planned for the Community Resource Teams information system as well as extending the use of the mobile digital pen technology.

Development of Clinical Workstation will be required to address numerous clinical and operational priorities particularly in the area of patient flow management and digital dictation to support service improvement.

To improve staff knowledge, ownership and accountability for the information that we collect and use, we will improve the uptake of the Information Governance eLearning system, refresh and update relevant IG Policies and extend the Information Governance Stewards programme, specifically within the Mental Health Division. Additional Information Sharing Protocols will be produced to ensure that we

continue to comply with legislation and the Wales Government Sharing Personal Information (SPI) programme for partnership working.

In support of the performance management and data quality improvement agendas, we will review the current patient activity information warehouse and delivery system in order to realign with current business, operational and Wales Government mandated requirements for reporting.

Within the Health Board clinical engagement is at the forefront of ICT Clinical Systems Design, Procurement, Implementation, and Monitoring. Clinicians are represented on all groups including Information Development, Digital Technology, and the Health Informatics programme, as well as many of the projects that arise in support of strategic delivery. The national programme is actively encouraging clinical engagement in the design and assurance of national clinical information systems and the Health Board has some of its key clinical staff involved in this activity.

Performance Management

The Health Board will continue to build on its robust Performance Improvement and Management framework. The framework has been established to promote and support the achievement of improved quality of care whilst ensuring value for money, the achievement of targets and the development of a delivery culture. The prime focus of efforts to improve performance will remain the enhancement of patient experience including the efficiency and effectiveness of the care they receive.

This framework is, and will continue to be, based on the development and implementation of local plans clearly outlining priority actions, implementation timescales, key risks, milestones, leadership responsibilities and accountabilities. These local plans provide the vehicles for delivery of the Health Board's strategic vision (primarily but not solely Clinical Futures), priorities and targets.

The performance framework will incorporate a number of key initiatives or processes:

- the identification of, and focus on, a limited number of areas of improvement that will be crucial in determining ABHB's achievement of service and financial objectives for 2012/2013 directors;

- the identification of a lead executive director for each of the identified areas of improvement;
- the consideration and ratification of delivery plans by the Executive Team and Delivery Group;
- the structured monthly checking of progress with plans and the instigation of remedial action and measures where key milestones are not being achieved;
- more frequent (fortnightly, weekly or daily) structured checking of progress in key or problematic areas, e.g. A&E waits or RTT, and the implementation of remedial action and measures where key milestones are not being achieved;
- a review process whereby the Executive Team meets with Divisional Teams on a regular basis to monitor progress and to identify key actions to maintain momentum and achieve targets;
- a dashboard approach to performance monitoring and reporting hinging on the identification of key performance metrics, based on driver diagrams, on a corporate, divisional and directorate basis which allows an effective and accessible mechanism for monitoring progress and identifying need for remedial action;
- the establishment and development of appropriate community information and performance reports which recognise the whole systems and partnership opportunities to improve performance and the patient experience;
- the improvement of information systems and processes to support the delivery of services. This includes supporting continuous improvement through effective benchmarking and establishing networks with other organizations to maximize learning;
- the identification of areas where additional support is required to progress key actions. This support may be through redirecting internal expertise or resource to support teams or by identifying external support where skills are unavailable within the Health Board.

The Health Board will further develop a robust computer based Performance Dashboard building on an application developed and controlled in-house. This dashboard will be available on computers throughout the Health Board. The dashboard will promote a balanced performance reporting approach across the integrated organisation, to include primary, community and mental health issues. In addition, patient experience, safety and outcome measures will included in the dashboard to reflect the centrality of patient care in the Health Board's approach to performance improvement. The dashboard will continue to recognise that there remain key targets that the Welsh Assembly Government expects to be delivered. The Dashboard approach will be

extended throughout the organization from Health Board to divisional/directorate level with a coherent process aligning organizational priorities with delivery at every level of the organisation.

The planned and achieved improvements, made in 2011/12, in specific areas of performance will be taken further in 2012/13 with the ultimate ambition of achieving best in class for the broadest possible range of performance measures. Some examples of notable areas of improvement in 2011/12 were:

- Reduced numbers of patients experiencing a delay in their transfer of care, especially for healthcare related reasons;
- The number of patients infected with Clostridium Difficile down by 30% for calendar year 2011 v 2010;
- Enhanced primary and community based care resulted in continued falls, beyond target levels, in the acute admission rates and average length of stay in hospital for people with chronic conditions;
- Decreased overnight stays for patients having elective surgery, especially BADS short stay procedures;
- Increased rates, in all specialties, for patients being admitted on the day of their surgery rather than having the inconvenience of an additional overnight stay;
- The crisis resolution targets consistently achieved by all 3 Crisis resolution and home treatment (CRHT) mental health teams in Gwent and it is intended that this achievement will be rolled out across South Powys.

Areas where improvements were not maintained or secured will provide a focus for further effort in 2012/2013. Examples include:

- Overall cancer RTT performance continued to be amongst the best in Wales and the 31 day target was consistently achieved but further work, in liaison with the Delivery and Support Unit and based on site specific plans, is in train to ensure more consistent achievement of the 62 day target;
- The newly established NCNs will take the lead in addressing above target and, for some specialties, increasing levels of referrals;
- Although slightly improved for calendar year 2011 v 2010, achieving the A&E waiting time and handover targets remains an area of concern for ABHB and further action, incorporating the Assembly Government's shift to more patient-centric measures, will be taken.

10. Conclusion

The Health Board is building a reputation through the hard work of its staff as an organisation that can deliver. During 2011/2012, the Health Board has been focusing on integrating care within health services and with partner organisations, focusing on improving safety and quality of services for patients, developing more sustainable solutions and improving the empowerment of staff.

In partnership, there has been a focus on local relationships with agencies and communities around the localities. The locality structure has been supported as a fundamental part of the way we do business, not to simply duplicate former LHB structures, during 2012/13 we have established 12 Neighbourhood Care Networks demonstrating out commitment to even closer relationships with our communities and has shaped our "New Ways of Working" review to ensure that the Health Board's organisational structures are fit for the challenges ahead.

Building on the strong foundations in place, including the opening of Ysbyty Aneurin Bevan (October, 2010) the Health Board opened our new Local General Hospital Ysbyty Ystrad Fawr in Ystrad Mynach in November 2012. The Specialist and Critical Care Centre is receiving continued support from the Welsh Government, with primary and community services well placed to deliver the Primary Care Strategy for Wales.

Many of the organisation's performance areas are showing significant improvements in the right direction over the last twelve months but there is still a lot to improve and deliver on.

The Health Board offers a community of staff and services that have a positive and developing relationship, with some good clinical engagement, strong and growing staff side relationships and engaged independent practitioners. Some of the locality work and relationships with partners and local government, for example, demonstrated by the 'Frailty' work going on across the Gwent area, are leading in Wales.

It is critical in building on our first two years, that our Five Year Framework continues to set the scene for a clear focus on the 'what' and the 'how' with the supporting Annual Plan 2012/2013 focusing on delivery. We need to continue to develop the reputation for an organisation that can clearly present the key areas for action, but more importantly deliver on these with urgency.

2011/2012 represented a year of improving our financial position; of focusing on the delivery of key targets and changes and developing the more strategic changes to give us the flexibility to develop the local services we aspire to. 2012/2013 will be a year that requires a focus on both transactional and transformational change in our approach to planning and delivering high quality service for the people of Gwent and South Powys, within a challenging financial year.