Delivering a Five-Year Service, Workforce and Financial Strategic Framework for NHS Wales

Project summary and recommendations

Executive summary

June 2010
## CONTENTS

Preface from Paul Williams, Director General, Health and Social Services, and Chief Executive, NHS Wales  
2

Introduction – The Challenge  
3

The Vision  
5

The Principles  
6

The Opportunity and the Approach  
7

Realising the Vision  
8

**Annex 1 – The Portfolio of National Programmes**  
10
Preface

The Minister for Health and Social Services commissioned a major reform of the structures of NHS Wales in 2008/09, which has now been successfully completed. Alongside that, with her approval, I commissioned work on developing a Five-Year Service, Workforce and Financial Strategic Framework for NHS Wales. What I did not want was a fixed, inflexible plan for the next five years, based on the implausible idea that we could forecast and control future demand and resources across one of the most complex organisations in the UK.

What I did want, and what we now have, is a framework for integration and transformation. We know what the task is – better health for all and services as good as any in the world. We have new structures that promote integrated thinking and working across NHS Wales and close collaboration with our partners. The framework will set out how we will achieve this.

This document is not the framework – or rather it is a part of it, the evidence base. The overall framework is a set of documents, processes and behaviours that will drive action and govern our advance towards our goals. Those include above all the seven Local Health Board delivery plans which were started as part of the process described in this document and will continue to be developed and refined year on year with partners.

These will be populated with local service delivery priorities and also with best practice generated by eleven national programmes that form another part of the framework. Other plans prepared with local partners will need to feed into this, particularly Community Strategies, Health Social Care and Well-Being Strategies and Children and Young People’s Plans.

Clinical engagement will be crucial to its delivery and meeting expectations in local plans. Central to this will be improving the quality of care. I have set NHS Wales the challenge in the next stage of our quality improvement drive 1000 Lives Plus to reduce harm, waste and variation across its services. Working with clinicians we are also integrating intelligent targets alongside Healthcare Standards into the Annual Operating Framework.

This is not my framework. It belongs to NHS Wales. It will grow through the collective efforts of health service professionals and partners from across all disciplines and from across all of Wales. I look forward to ensuring with them that we achieve the ambitious, yet necessary goal of transformation — transformation of systems and services certainly, but above all transformation of people’s lives.

Paul Williams OBE OStJ DL
Director General, Health & Social Services
Chief Executive, NHS Wales
Introduction – The Challenge

*NHS Wales has an extraordinary opportunity to deliver its ambition and become one of the world’s high performing integrated healthcare systems. The challenge now is to seize that opportunity and develop a world-class health system for the citizens of Wales*

Across the world, health systems are increasingly taking the view that delivering sustainable high-quality care requires an integrated approach. On October 1, 2009 NHS Wales moved decisively towards becoming an integrated health system when over 30 separate NHS Wales’ organisations were replaced by just ten. Seven are new Local Health Boards (LHBs), taking responsibility for making sure that all the health needs of their local population are met. Of the other three, two are specialist service providers. Velindre NHS Trust and the Welsh Ambulance Service NHS Trust. The third, Public Health Wales NHS Trust, will be central in transforming health and services in Wales.

These changes, coupled with the integration of the previous health services, public health and social care departments in the Welsh Assembly Government, means that NHS Wales is uniquely well positioned to realise its vision of integrated care within an integrated health system. Already a number of key building blocks are in place:

- a Primary and Community Care Strategy – Setting the Direction
- the next phase of the 1000 Lives Campaign, 1000 Lives Plus
- a Chronic Conditions Management Programme and demonstration sites
- clinical information improvements as part of Informing Healthcare
- a national programme for intelligent targets
- updated national healthcare standards
- the Rural Health Plan
- the Chief Medical Officer’s framework for health improvement, Our Healthy Future
- updates to National Service Frameworks.

Health outcomes in Wales can best be described as mixed, both in terms of overall health of the population in comparison to other European countries, and in terms of the variation within Wales. However, there are many trends that give cause for celebration:

- continued improvements in infant mortality
- declining incidence of coronary heart disease
- reduction in early mortality from circulatory disease
- a reduction in MRSA
- the achievement of Access 2009 waiting times targets
- faster cancer treatment, with consequent improvements in cancer survival
- earlier access to elective treatment and diagnostic tests, through reductions in waiting times
- shorter length of stay in hospital following elective surgery, leading to improved rehabilitation
- an increase in numbers of GPs and in NHS staffing generally, which leads to faster access to treatment in a wide range of services.

Yet NHS Wales faces daunting challenges. As a consequence of industrial decline, social deprivation and lifestyle choices, health in Wales is worse than it should be.
The Welsh healthcare system faces substantial challenges: summary

<table>
<thead>
<tr>
<th>Reason</th>
<th>Example evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Outcomes</td>
<td></td>
</tr>
</tbody>
</table>
| 1 | Outcomes are poorer than peers | ▪ Age standardised death rates are higher than in England  
▪ Cancer mortality in Wales is declining but significantly lags behind international rates |
| 2 | The chronic disease burden is severe | ▪ One-third of all Welsh adults (~800,000) have at least 1 chronic condition  
▪ 57% of adults are overweight or obese |
| 3 | Big inequalities in health and health care | ▪ The most deprived segment of the population is 50% more likely to have a limiting long term illness |
| 4 | An aging population is stretching resources | ▪ The number of people aged 75+ will increase by 75% by 2031  
▪ Continuing healthcare spend has increased 27% a year since 2003/4 (£75m to £248m) |
| System Performance | |
| 5 | Hospital capacity is strained by suboptimal use | ▪ A 999 call is 30% more likely to lead to a hospital admission than in the best English regions  
▪ Occupancy rates are consistently >90%, versus an 85% recommended limit |
| 6 | Other resources also used less efficiently than they could be | ▪ OP follow-up DNA rates are twice as high in some areas than the best  
▪ Wales prescribes 22 items per person versus 16 in England  
▪ If Wales were to reduce its emergency length of stay to target, it could save ~£90m |
| 7 | Access challenges persist | ▪ During 2009/10, no Health Board met the A&E target of 95% of patients waiting less than 4 hours |
| 8 | Key costs are rapidly rising or persistently high | ▪ Continuing care costs increasing at 27% annually since 2003/04  
▪ Prescription costs are higher than England or Scotland |
| Financial health | |
| 9 | The current system is unaffordable | ▪ Costs have grown at 5% a year for the last 5 years and Wales is projected to face a £1.3bn - £1.9bn gap in the coming 5 years  
▪ Annual cash growth in NHS funding in Wales has lagged behind growth in England over the last five years and will do so in 2010-11 |

SOURCE: WAG, NHS Wales Finance final budget reports, Stats Wales

Current performance in the health care system is mixed; health outcomes and service quality do not always meet the high aspirations of patients and staff or the citizens of Wales. At the same time, unprecedented financial pressures are mounting. We could face a potential annual funding gap of between £1.3bn and £1.9bn by 2014-15 if steps are not taken now to change the way in which care is delivered.
Scenario modelling suggests a cumulative financial gap of between £1.3bn and £1.9bn over the next five years.

Failure to act decisively will mean Wales will continue to struggle with poor health, unsatisfactory performance and financial deficits over the coming years. Whilst the scale of the fiscal challenge in front of NHS Wales is undoubtedly considerable, the purpose of this Framework is to lay out how services can be improved and efficiencies realised concurrently over the next five years and beyond to improve the quality and safety of care for all.

The approach adopted must address the big challenge facing the Health and Social Services Directorate General as a part of the Welsh Assembly Government and NHS Wales as part of the public service – ensuring that the services for which they are responsible transform in response to the challenging times ahead. This challenge can be tackled by effective partnership working between the Welsh Assembly Government, NHS Wales and partner organisations and the key is a programme of improved quality, performance, integration and transformation.

The Vision

The aim of the Five-Year Service, Workforce and Financial Strategic Framework for NHS Wales is to secure:

- improvements in quality of service that reduce variation, waste and harm
- patient-centred care
- a cohesive, motivated and professional workforce
- better value for money
- affordable world class health and social care services for the citizens of Wales

To effect this transformation, there must be four core areas of focus:

1. **Improving performance, quality and financial stability by reducing harm, waste and variation:** building on the solid foundations of the 1000 Lives Campaign and intelligent targets to promote adoption of best practices (on an adopt or justify basis) that will efficiently deliver the best possible care
2. **Capturing the opportunity of integration**: balancing health improvement and health care, creating integrated care, and aligning all the support systems, with a stronger focus on the role of the patient, carer, and citizen as co-producers/directors of their own health and care packages

3. **Empowering the front line**: providing clinical and non-clinical staff with the tools they need to lead change and deliver highly quality care

4. **Supporting services to deliver through good government and strong partnerships**: ensuring that the combined role of Chief Executive of NHS Wales and Director General of Health and Social Services within the Welsh Assembly Government is used to the full to drive joined-up working between NHS Wales and government, and a much wider partnership working agenda across government and public service to improve quality of life and well-being.

These ambitions are captured below.

**NHS Wales’ vision is to transform itself into a well-functioning integrated care system**

<table>
<thead>
<tr>
<th>Aspiration</th>
<th>Core elements</th>
</tr>
</thead>
<tbody>
<tr>
<td>NHS Wales will bring together the different groups involved in patient care (including social care) so that services are more consistent, cost-effective and coordinated, therefore better meeting patient, organisation and financial needs</td>
<td>Care is delivered seamlessly across multiple health organizations</td>
</tr>
<tr>
<td>Care takes a patient-centred view</td>
<td>Care settings coordinated by shared access to knowledge and shared processes</td>
</tr>
<tr>
<td>Health population analysis, derived from individual patients’ information, used to inform system decisions (e.g., workforce allocation)</td>
<td></td>
</tr>
</tbody>
</table>


**The Principles**

The principles that underpin the Five-Year Service, Workforce and Financial Strategic Framework for NHS Wales are grounded in Welsh Assembly Government policy and guidance about strong public sector co-operation and getting the maximum value from the Welsh taxpayers pound.

In order to deliver the framework therefore, 5 guiding principles have been established:-
1. Making LHB and Trust Chief Executives **personally accountable** for delivery with strong, transparent, specific performance management

2. Establishing a **clear narrative** explaining the direction of travel, that everyone in the Welsh Assembly Government, NHS Wales and their partners can understand and support

3. Putting **clinicians at the heart of the transformation**, leading from the front supported by a significant focus on quality improvement and capacity building

4. Tasking **national programmes** to provide LHBs, Trusts and clinicians with the support they need to break through, overseen by a Programme Board, chaired by the Director General.

5. **Careful re-alignment** of existing programmes and stronger partnership working between health, social care and other partners.

**The Opportunity and the Approach**

NHS Wales with its partners has an opportunity to break with the past and make a decisive shift in the balance of services – away from a model based on treating people whose health is already damaged to one based on local, early action wherever possible, to promote and protect health and maintain independence, and effectively arrest and reverse problems.

The Health and Social Services Directorate General is now ideally suited to make this shift a reality, working with fellow Directorate Generals and in partnership with the reformed NHS Wales and other local bodies.

The opportunity exists to create a clear, compelling and exciting vision of the future; one in which NHS Wales becomes a truly integrated healthcare system, designed to meet Welsh needs and priorities and comparable with the best in the world. Such a system will be organised around the needs of the public and the patient, with every element of the system working seamlessly with the others to provide consistent, cost-effective and coordinated services.

An integrated healthcare system recognises the role and contribution of patients, the public and carers in looking after their own health and managing health problems alongside care professionals. It eliminates the gaps and barriers between settings of care and organisations in the delivery of care. For patients this creates a sense of working with a system that intelligently brings to bear its various components and capabilities to support them and provide the right care at the right time. For clinicians this creates channels allowing colleagues treating the same patient to share information and develop the best possible care plans. Where this does not always happen in practice now, a more integrated system offers opportunities to improve by using the following approaches:

- **Prevention and health improvement**: People in Wales want and need good health to enjoy life to the full. If opportunities to support this are missed, people will continue to suffer avoidable harm and ill-health and their families and NHS Wales will carry the cost. Further major effort to protect people’s health and well-being at all
stages in their life, building on the approach set out in Our Healthy Future, will both improve people’s life and take the burden off NHS Wales. The integrated NHS bodies have a tremendous opportunity to provide a strong lead here.

- Health care and social care: The interface between health and social care is critical in many areas; for example caring for frail older people, continuing care and treating people with mental health needs, since people may require support from both health and social care services. If badly managed, people may be passed back and forth between the two sectors as each tries to reduce its own costs rather than addressing the needs of the individual as a whole which may result in both avoidable costs and inappropriate care. A more integrated system would resolve these issues and incentivise both agencies to provide the right mix of services, working with the service user and responding to his or her agreed needs.

- Primary care and acute care: Within NHS Wales, patients with long-term and chronic conditions similarly may need coordinated care from different bases, which requires clear communication between the hospital specialist and the primary care clinician. This may not happen, where the culture and systems (e.g. electronic patient records) to support it are not in place, and so the patient may face an avoidable hospital admission. A better integrated system might appoint a case worker responsible for following the patient over time, acting as an advocate on the patient’s behalf, and ensuring proper communication across providers.

- Unscheduled care: People call 999 with a variety of problems, from life-threatening health emergencies and serious mental health incidents to serious-but-not-life-threatening incidents/events such as falls and minor health issues. The range of services that might best meet these needs is not yet in place. A more comprehensive and systematic service could provide accessible, responsive, high quality urgent care services that substantially reduce demand for hospital services. For example some 20% of 999 calls relate to patients who have fallen – direct access to a community falls assessment and treatment service could provide a high quality, safe service to a significant number of these people in their own homes, improving both the patient experience and reducing cost.

Realising the Vision

To realise the vision will require both a transactional and transformational approach.

Transactional – driven and focussed financial and performance management will ensure successful delivery of the immediate NHS Wales agenda in 2010-11.

Transformational – a suite of 11 National Programmes will fundamentally change NHS Wales service configuration, workforce profile and financial allocations to meet the challenges of the next five to ten years.

The Portfolio of National Programmes is listed at Annex 1. Each of the 11 National Programmes is chaired by a Health Board Chief Executive, a Trust Chief Executive or a member of the Health and Social Services Director General’s team. The Programme Board structure is attached at Annex 2. As the Programmes generate or identify best practice their products will feed directly into Local Delivery Plans on an ‘adopt or justify’ basis. A rigorous Portfolio Management and Governance process has been established,
and the NHS Wales monthly Chief Executives meeting will act as the overall Programme Board.

**Conclusion**

NHS Wales has an opportunity to transform healthcare in Wales. The creation of seven integrated LHBs creates bodies of sufficient scale and reach to break down old barriers. The aspiration—to create a high-performing integrated healthcare system—holds the potential to improve not only financial sustainability but even more importantly, patient care and experience, and ultimately to transform the health of the people of Wales.

The strong support for change which has been seen across the service suggests that there is a readiness to embrace challenging new ways of thinking, and to reshape services to the benefit of the citizens of Wales.

This ends where it began:

*NHS Wales has an extraordinary opportunity to deliver its ambition and become one of the world’s high performing integrated healthcare systems. The challenge now is to seize that opportunity and develop a world-class health system for the citizens of Wales*

This framework demonstrates that NHS Wales is on its way to realising this opportunity. The people of Wales demand and mandate it. The next five years will challenge NHS Wales to deliver transformation – and our commitment to this is unshakeable and unyielding.

**Integration could substantially improve the experience for patients, clinicians and taxpayers**

- NHS Wales doesn’t just treat me when I get sick—it helps me stay well
- Doctors and staff have the whole picture: they know about my recent hospital visit, what medications I’m on, etc.
- I have the information I need to make good decisions about my treatment options

- I’m a specialist, and I now spend half my time in community clinics, which makes sense for my patients and the system; I used to work only in the specialist hospital
- Health promotion is an important part of my job
- Social care and health care work together to figure out how best to care for patients, especially elderly patients requiring ongoing care

- Every pound I pay into the NHS goes farther than it did before
- The system has cut out duplication
- We finally have a 21st century system to deal with 21st century healthcare needs
## Annex 1

### Portfolio of National Programmes

<table>
<thead>
<tr>
<th>NATIONAL PROGRAMME</th>
<th>CHAIR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Prevention and Promotion</td>
<td>Bob Hudson – Chief Executive, Public Health Wales NHS Trust</td>
</tr>
<tr>
<td>2. Unscheduled Care</td>
<td>Trevor Purt – Chief Executive, Hywel Dda Health Board</td>
</tr>
<tr>
<td>3. Mental Health</td>
<td>Mary Burrows – Chief Executive, Betsi Cadwaladr University Health Board</td>
</tr>
<tr>
<td>4. Long-Term Conditions/Primary Care/Primary Care Assurance</td>
<td>David Sissling – Chief Executive, Abertawe Bro Morgannwg University Health Board</td>
</tr>
<tr>
<td>5. Continuing Health Care</td>
<td>Jan Williams – Chief Executive, Cardiff &amp; Vale University Health Board</td>
</tr>
<tr>
<td>6. Acute Care</td>
<td>Margaret Foster – Chief Executive, Cwm Taf Health Board</td>
</tr>
<tr>
<td>7. Medicines Management</td>
<td>Andrew Cottom – Chief Executive, Powys Teaching Health Board</td>
</tr>
<tr>
<td>8. Informatics</td>
<td>Andrew Goodall – Chief Executive, Aneurin Bevan Health Board</td>
</tr>
<tr>
<td>9. Workforce</td>
<td>Sheelagh Lloyd Jones – Director of Workforce &amp; Organisational Development, Health &amp; Social Services Directorate General</td>
</tr>
<tr>
<td>10. Social Services/Partnerships</td>
<td>Rob Pickford – Director of Social Services, Health &amp; Social Services Directorate General</td>
</tr>
<tr>
<td>11. Patient Engagement/Experience</td>
<td>Trevor Purt – Chief Executive, Hywel Dda Health Board</td>
</tr>
</tbody>
</table>
Managerial model for delivering Service, Workforce & Financial Strategic Framework

Joint Management Board chaired by Chief Executive NHS Wales / Director General, HSSDG WAG

Chief Executives LHBs & Trusts

Portfolio Office (Strategy Support Unit)

National Leads, Chief Executives & WAG Directors

7 Delivery Plans

11 National Programmes