THE SCOTTISH OFFICE

Department of Health

NHS
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NHS Management Executive
St. Andrew's House
Edinburgh EH1 3DG

27th March 1998

Addressees

For action:
General Managers, Health Boards
Chief Executives, NHS Trusts
General Manager, Common Services Agency
General Manager, State Hospitals Board for Scotland

For information:

Chief Executive, Health Education Board for Scotland
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COMMON SERVICES AGENCY
30 MAR 1998
CW303

Dear Colleague

DESIGNED HEALTHCARE INITIATIVE

Summary

1. This MEL provides information about funding available to support a number of pilot sites seeking to improve the quality of care to patients through the redesign of services, which was announced by the Minister in February 1998.

Background

2. The White Paper, Designed to Care, signalled the Government's intention to develop a modern, "designed" Health Service putting patients first; and within this context, to fund a number of demonstration projects on the establishment of one-stop clinics. In February, the Minister announced that he was providing £1 million annually over the next 3 years to assist the Service in taking forward this part of the White Paper agenda.

3. This MEL provides information on this initiative and guidance on the submission of applications for funding.

Action

4. Applications for funding, developed in partnership with NHS Trusts and, where appropriate, primary care teams should be submitted by Health Boards to the Management Executive by 29 May 1998. General Managers and Chief Executives are requested to ensure wide distribution of this MEL and the accompanying notes, including to GPs and other primary care professionals.

Yours sincerely

KEVIN J WOODS
Director of Strategy and Performance Management

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DESIGNED HEALTH CARE PILOTS: GUIDANCE

Q. What is the aim of the Designed Healthcare Initiative?

A. The Designed Healthcare Initiative is concerned with improving the quality and outcomes of care through the rethinking and radical redesign of the end-to-end care process. The goal should be well designed and seamless care from the perspective of patients, which minimises waits and delays, offers a rapid diagnosis, removes unnecessary steps or interventions, provides continuity of care and reduces the number of visits to hospital. The initiative will support implementation of the White Paper and of the forthcoming report of the Acute Services Review.

Q. Who can apply for funding?

A. Applications for funding, developed in partnership with NHS Trusts and, where appropriate, primary care teams, should be submitted by Health Boards to the Management Executive by 29 May 1998.

Q. Are Health Boards just a post-box, forwarding applications from Trusts to the Management Executive?

A. No. Health Boards have responsibility to ensure any proposals are placed in a strategic context and fit in with the priority areas set out in the local Health Improvement Programme and Trust Implementation Plan. They are also responsible for monitoring progress of pilots.

Q. Do Health Boards have sole responsibility for developing such a strategic approach?

A. No. Boards, NHS Trusts and primary care teams are expected to work together as partners in developing a joint strategic approach to redesign as on other issues.

Q. Who will take the lead role once a redesign programme has been agreed?

A. Trusts and General Practitioners will be expected to lead the initiatives once they have been signed off by the sponsoring Board.

Q. Are there any priorities for redesign?

A. Yes. The priorities are laid out in Annex A.

Q. How long will funding be available for?

A. Funding will be available for between one and three years.

Q. Are Boards and Trusts expected to contribute financially?

A. Boards and Trusts will be expected to demonstrate support for the programme through commitment of their own resources during the life of the project and provision of continuing funding, where appropriate, at the conclusion of the Management Executive's grant.

Q. Can funding be used to support a rolling programme of projects within a Trust?

A. It is expected that each Trust will plan to have a number of projects covering a range of services. The amount of money available centrally, however, and the need to distribute it equitably means that it may be possible only to fund part of such a programme with local funding covering the remaining elements.

Q. Can funding be used to support redesign in more than one Trust in a Health Board area?

A. Yes. Applications relating to redesign of services across Trust boundaries will be welcomed.

Q. Should the design project cross the interface with primary care?

A. Projects that look at the end-to-end process of care going from primary care into hospital and back into the community will be welcomed.

Q. What should the funding be mainly used for?

A. The main focus for the funding should be to free up the time of senior clinicians (from any profession) to enable them to lead design projects.

Q. What will be the ME's role?

A. The ME will hold each Board accountable for the use of any funding awarded, through the normal Performance Management process. In addition, there will be a Steering Group involving representatives of the Service which will oversee and monitor the progress of the initiative as a whole and ensure dissemination of experience and learning.

Q. What about evaluation of the pilot projects?

A. Boards and Trusts should ensure arrangements are in place for internal evaluation of the pilots and systems for realising the benefits. The ME should be provided with interim and final reports for review by the Steering Group.

Q. What is the timetable for applications?

A. There will be two phases to the application process. In the first instance, an application form accompanied by an Outline Business Case should be sent to the ME by 29 May 1998.

Applications will be reviewed by an Assessment Panel. If successful, applicants will be invited to provide a Full Business Case, by 28 August 1998.

Q. Are there any criteria the Outline Business Case and Full Business Case will be required to meet?

A. Yes. The criteria are laid out in Annex B.

Q. Do I have to apply for funding now, or can I apply at a later date?

A. Some funding will be held in reserve for Boards wishing to apply in the second and third years of the initiative.

Q. If I already have a Full Business Case prepared can I submit this in the first round?

A. If available, the Full Business Case will be assessed by the Panel and a decision reached during the initial stage. If successful they should be ready to start as soon as possible after notification.

Q. Who do I contact for further information?

A. Further information can be obtained by contacting Dr Angela Anderson, The Scottish Office, NHS Management Executive, Room 359, St Andrew's House, Edinburgh EH1 3DG (Tel: 0131-244 2829 - Fax: 0131-244 2069)

ANNEX A

1. PRIORITIES FOR DESIGNED HEALTH CARE

1.1 Applications which relate to the priority areas set out in the local Health Improvement Programme and Trust Implementation Plan.

1.2 Applications which aim to reduce delays and waiting, thus easing anxiety and uncertainty and improving the experience of care for patients, through redesigning and streamlining services.

1.3 Applications which relate to the establishment of one-stop clinics looking not just at the organisation of clinics themselves but also the reasons why people are referred in the first place and the way in which appointments are booked, and what happens following attendance at the clinic.

1.4 Applications which cover the patients journey from primary care into hospital and back into primary care.

1.5 Applications which relate to effective use of joint investment funds.

1.6 Applications which support implementation of service changes emanating from the Acute Services Review.

2. Value

2.1 Projects should:

- demonstrate commitment on the part of senior clinicians and managers.
- demonstrate value for money for the NHS as a whole, making a significant contribution to improved care and/or service delivery.
- demonstrate a return on investment in terms of progressing the local Health Improvement Programme and Trust Implementation Plan.
- generate findings of relevance to other professionals in the NHS i.e. be generalisable.
- develop re-designed processes capable of being transferred to the rest of the NHS.
- demonstrate a commitment to disseminate the findings.

3. Evaluation

3.1 Projects should:-

- demonstrate the presence of internal evaluation arrangements.
- demonstrate a willingness to participate in external evaluation arrangements.

ANNEX B

CRITERIA FOR NATIONAL FUNDING

Applications for national funding will be expected to show a number of the following characteristics:

1. **Partnership**

1.1 Projects should:

- involve Health Boards, NHS Trusts and where appropriate primary care teams.

2. **Content**

2.1 Projects should:

- be focused on re-designing healthcare processes.
- include evidence of ability to organise and manage a change programme.
- demonstrate evidence of a system to realise benefits.
- demonstrate strong clinical and managerial leadership and active involvement of staff at all levels and from all the organisations involved in providing inputs to the patient care process.
- demonstrate extensive patient and carer involvement in the design and evaluation of the new services.
- be concerned with adopting best clinical and management practice.
- contribute to improvements in clinical and managerial performance.
- contribute to improving the experience of care for patients.
- show imaginative use where appropriate of new technology including IM&T (e.g. telemedicine).
- demonstrate evidence of a Human Resources and Organisational Development strategy to support the change programme.
- indicate how the proposal will fit with the local Health Improvement Programme and Trust Implementation plans.

DESIGNED HEALTHCARE INITIATIVE

PROCEDURES FOR SUBMISSION OF APPLICATIONS FOR FUNDING

1. AIM

1.1 The Designed Healthcare Initiative is concerned with improving the quality and outcomes of care through the rethinking and radical redesign of end-to-end care processes. In support of the White Paper, Designed to Care, and the forthcoming report of the Acute Services Review, its aim is well designed and seamless care, from the perspective of patients, which minimises waits and delays, offers a rapid diagnosis, removes unnecessary steps or interventions, provides continuity of care and reduces the number of visits to hospital.

2. ELIGIBILITY

2.1 To be considered for a pilot site, applications must be submitted and sponsored by the local Health Board who will be responsible for monitoring the progress of pilots which are successful in obtaining funds.

2.2 Projects should promote innovation in the design of services.

2.3 Projects at the pilot sites should address at least one of the priority themes set out in Annex A.

2.4 Applications for national funding will also be expected to reflect the criteria set out in Annex B.

3. DURATION OF PROJECT

3.1 Funding will be available for between one and three years, depending upon the scale and complexity of projects. Funding beyond one year will be subject to review. Where a project is to continue beyond three years the General Manager of the sponsoring Health Board must confirm that the Board is willing to meet all additional costs involved in its completion.

3.2 A Board may wish to submit an application relating to a programme involving a number of projects in one or more Trusts in its area which may be undertaken concurrently or sequentially. However, some funding will be held in reserve for Boards wishing to apply in the second and third years of the initiative, either for new projects or for extension of existing projects.

4. NATURE OF FUNDING

4.1 The Management Executive is keen to support projects on the basis of merit rather than size. Proposals where funding will be used by a number of NHS bodies will be particularly welcomed.

4.2 The main focus for funding will be to free up the time of senior clinicians from any profession to enable them to lead projects. All running costs directly incurred by a project may be reimbursed. Funding for the purchase of hardware equipment will only be provided if it is <u>essential</u> for the success of the project.

4.3 Boards and Trusts will be expected to demonstrate commitment to the redesign programme through the provision of local resources during the life of the project(s). As the purpose of the initiative is to pump-prime demonstration projects, it is unlikely that a project will be funded in each Health Board area.

5. APPLICATION PROCESS

5.1 The application form should be completed using black typescript or you may reproduce the format on your own computer.

5.2 Each application should be accompanied by an Outline or Full Business Case.

5.3 It is important to ensure the proposals are clear and the project can deliver the proposed benefits in the specified timescale and setting. The relationship to relevant existing work should also be explained.

5.4 Each application should include the following details:

- clear defined aims and objectives
- priority themes the project will address
- a full breakdown of costs
- a clear project and design methodology and timetable
- anticipated benefits/outcomes of the project
- a proposed project start date
- details of how results will be monitored and evaluated against the aims and objectives

5.5 The Board General Manager must verify his or her support for each application bearing in mind the Board's role in ensuring that proposals fit with the priority areas in the local HIP and TIP, in monitoring the progress of pilots (paragraphs 2.1) and its commitment to on-going funding if required (paragraph 3.1) before forwarding them to the Management Executive for consideration.

5.6 The application form and accompanying documentation should be sent to Dr Angela Anderson, Senior Medical Officer, Room 359, St Andrews House, Edinburgh EH1 3DG.

5.7 Applications must be received by 29 May 1998.

5.8 Applications will be reviewed by an Assessment Panel. If the outline is approved, applicants will be invited to submit a Full Business Case by 28 August 1998. If, however, a Full Business Case has been prepared already and/or can be submitted by 29 May, an earlier decision and start will be possible.

5.9 Payment of any funding awarded will be made to Health Boards. They should agree with successful applicants a profile of expenditure and should make payments to applicants in accordance with this profile and not in advance of need. Boards must ensure that claims etc are clearly documented to allow for audit and other statutory requirements in accordance with the normal rules on disbursement of public funds.

5.10 No material changes may be made to the nature, expenditure requirement or duration of a project without the prior approval of the sponsoring Health Board and the Management Executive.

6. RESULTS

6.1 The sponsoring Health Board will be responsible for ensuring the regular monitoring of progress throughout the life of the project.

6.2 Project participants must submit an interim and full evaluation report to the Management Executive, via the Health Board at intervals as deemed appropriate. A Steering Group set up by the ME and including representatives of the Service will review the reports and also monitor and review progress.

6.3 The Management Executive and sponsoring Health Board may use the information contained in the evaluation and monitoring report and other material for dissemination throughout the Health Service and beyond.

6.4 Innovative projects, by their nature, involve an element of risk, and the Management Executive recognises that not all projects will achieve their original objectives. Accordingly we would look to Health Boards to work with applicants to evaluate the lessons learned even when a project fails to achieve all of its objectives.

7. GENERAL

7.1 General enquires about the Designed Healthcare Initiative should be addressed to Dr Angela Anderson (Tel: 0131-244 2829) (Fax: 0131-244 2069).

DESIGNED HEALTHCARE PILOT

APPLICATION FOR NATIONAL FUNDING

COMPLETE THIS FORM USING BLACK TYPESCRIPT

AN OUTLINE OR FULL BUSINESS CASE SHOULD ACCOMPANY THIS FORM

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1. PROJECT TITLE

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2. IDENTIFY THE LEAD HEALTH BOARD WHICH WILL ADMINISTER THE GRANT

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3. NAME OF PARTICIPATING TRUSTS AND OTHER ORGANISATIONS.

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4. IDENTIFY THE SERVICE AREAS(S) TO BE RE-DESIGNED

5. LIST THE NAMES AND POSTS OF THE PEOPLE WHO WILL LEAD THE PROJECT (indicating the extent of their time commitment to it)

6. DURATION OF PILOT

7. PROPOSED START DATE

8. STATE BRIEFLY THE OBJECTIVES OF THE PROPOSED PILOT AND ASSOCIATED PROJECTS

9. WHAT ARE THE LIKELY, OR POTENTIAL, BENEFITS?

10. ARE THE RESULTS LIKELY TO HAVE SIGNIFICANT RESOURCE IMPLICATIONS?

11. OUTLINE BRIEFLY THE METHODOLOGY AND PLAN OF THE INVESTIGATION, GIVING INTERIM AND FINAL OBJECTIVES AND OUTPUTS AND TIMESCALES. (Further details to be included in the Outline/Full Business Case)

12. IF YOUR PROPOSAL INVOLVES THE USE OF IM&T, PLEASE GIVE DETAILS HERE.

13. HOW DO THE PROPOSED PILOT AND ASSOCIATED PROJECTS RELATE TO EXISTING WORK ON THE REDESIGN OF SERVICES? PLEASE DETAIL ANY OTHER RELEVANT WORK.

14. PLEASE STATE BRIEFLY THE KNOWLEDGE AND EXPERIENCE OF THE PEOPLE LEADING THE PROJECT IN REDESIGN OF SERVICES

15. ESTIMATED TOTAL COSTS:

		Year 1 £	Year 2 £	Year 3 £	Total £
(a)	Staff Salaries: (Detail employer's costs separately): Grades				
(b)	Locum Costs				
	Sub Total (a) and (b)				
(c)	Equipment (inc VAT if applicable): (Detail Items)				
	Sub Total (c)				
(d)	Running Costs (recurrent costs) (Detail Items)				
	Sub Total (d)				
(e)	Other Expenses (please specify):				
Sub Total (e)					
Totals:					

16. FUNDING

	Year 1 £	Year 2 £	Year 3 £	Total £
Amount of money sought from Management Executive				
Amount of money to be provided locally				

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17. AUTHORISATION

I confirm that this application has the support of my Board/Trust/GP practice and that we will administer any grant that is awarded in accordance with the requirements of the Management Executive.

____________________________ Board General Manager

____________________________ Trust Chief Executive

____________________________ General Practitioner (where appropriate)