WHH 'Right Way to Yes'

Business Case Governance Process

The Right Way to Yes

Welcome

- **Marie Garnett** – Head of Contracts, Performance & Commercial Development

- **Jessica Phillips** – Senior Business Planning Manager

- Contracts, Performance & Commercial Development team manage WHH's business case governance process - 'the Right Way to Yes'

- 'The Right Way to Yes' is a robust governance process which provides an efficient route to business case approval

Business Case Governance Process

NHS
Warrington and Halton
Teaching Hospitals
NHS Foundation Trust

1 **Do you need a business case?**

Consider; thresholds, existing budget, alternative options

2 **Approval to progress**

Budget setting or gain Executive support

3 **Contact your support function**

Contact Commercial Development who will support you to the 'Right Way to Yes'

4 **Collaborative production**

With support produce a clear, succinct paper in an Executive approved format

5 **Sign off process**

Review and sign-off by support functions and senior finance, address any queries/gaps identified
Prepare your Executive to present final case

6 **Outcome**

Executive outcome received, please mobilise your development or undertake any next steps identified

7 **Benefits realisation**

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1. Do You Need a Business Case?

Prior to starting a business case the following should be considered:

Is your request under £5k?
Yes: Manage within existing budget
No: A business case can be used to request funding

Do you have existing budget available to fully fund your development?
Yes: Utilise existing budget
No: A business case can be used to request funding

Consider alternative funding opportunities to achieve your desired outcome e.g. bid funding or partnership working?

Have you reviewed your existing budget with your Management Accountant to consider all options?
Yes: If alternative options are not available a business case can be used to request funding
No: Review budget prior to requesting a case

Do you have some existing budget available?
Yes: A business case can be used to request funding however existing budget available should be used to offset some of the cost
No: A business case can be used to request funding

Business Case Governance Process

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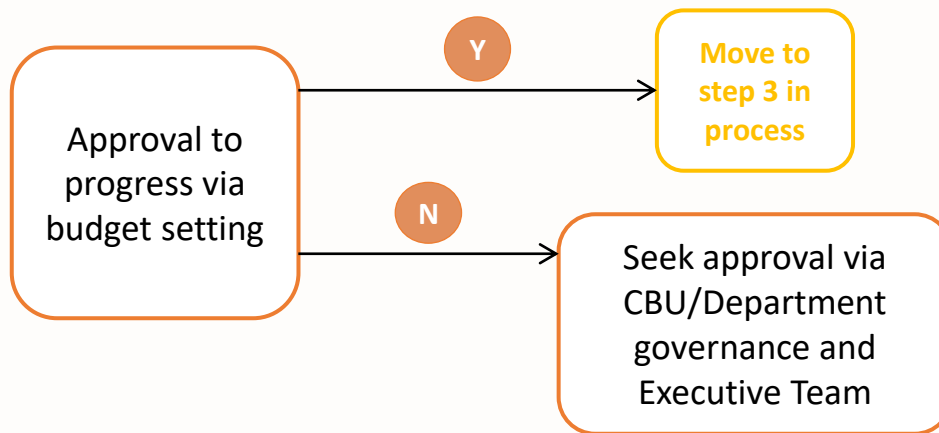
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2. Approval to Progress – Route 1

All business case requests require Executive Team support before they will be progressed. Some priority business case are given approval to progress via the Trust's annual budget setting process.

```
Approval to          Y          Move to
progress via  ──────────────▶   step 3 in
budget setting                  process

                     N          Seek approval via
              ──────────────▶   CBU/Department
                                governance and
                                Executive Team
```

2. Approval to Progress – Route 2

Any business case requests not prioritised via budget setting require approval to progress from the Executive Team via the following process:

```
┌─────────────────┐     ┌─────────────────┐     ┌─────────────────┐
│ Discuss with    │     │ CBU Triumvirate │     │ If supported by │
│ line manager    │ Y   │ /Senior Manager │ Y   │ Executive Lead, │
│ for support to  │ ──→ │ to discuss with │ ──→ │ complete        │
│ progress        │     │ Executive Lead  │     │ Approval to     │
│                 │     │ for support     │     │ Proceed briefing│
└─────────────────┘     └─────────────────┘     │ and submit to   │
         │                       │              │ Executive Team  │
         N                       N              │ meeting         │
         ↓                       ↓              └─────────────────┘
```

Your managers and Executive will consider all aspects of your suggested case including quality, finances, prioritisation etc. If not approved to progress please follow their advice and guidance regarding next steps.

Approval to Proceed Paper

This briefing paper is to provide a high level overview to the Executive Team to demonstrate the need for a business case. The briefing paper will include:
- Why you require investment in no more than 250 words
- Approximate financial detail
- What measurable benefits will be achieved as a result of the investment

Future updates:
- Prioritisation criteria/scoring matrix

We are WHH & We are
PROUD
to make a difference

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1. BACKGROUND/CONTEXT
Guidance: In 250 describe why you require investment. This should include in brief:
- If the Business Case is in response to National/Local Guidance.
- Does the business case address a risk?
- Does the business case address a performance issue?
- Is the business case in response to a commercial opportunity which will generate income?

2. FINANCE
Guidance:
- Provide detail on the investment required and what this will include. The full detail will be provided in the business case. E.g. 3 x Band 7 staff at a cost of £170k recurrently and £3k non-recurrently for IT equipment.
- If there is anything which will offset the cost, this should be included. E.g. It is anticipated that the investment will save the Trust £200k which can be offset against the cost.
- Full detail around the costings will be provided in the business case.

3. BENEFITS
Guidance: All benefits should be SMART (Specific, Measurable, Achievable, Realistic and Timely). This is the most important section of the paper, here you need to provide detailed measurable benefits around what the return the Trust will see for this investment. This detail will be transferred to the business case.
- Think about what measurable outputs the investment will provide e.g. increase in activity, additional non-clinical work, improved performance, improved survey results, decrease in risk, delivery of a project with has X benefits.
- Ensure baselines are provided with a rationale e.g. this investment will result in improved waiting times from an average of 10 weeks in January 2020 to 5 weeks in December 2020 and this is based on an additional 7 sessions per month with an increase of 70 slots per month.
- Ensure a date is included when you think each benefit will be realised. You will be expected to report how benefits have been achieved in the timescales indicated at the bottom of this business case.

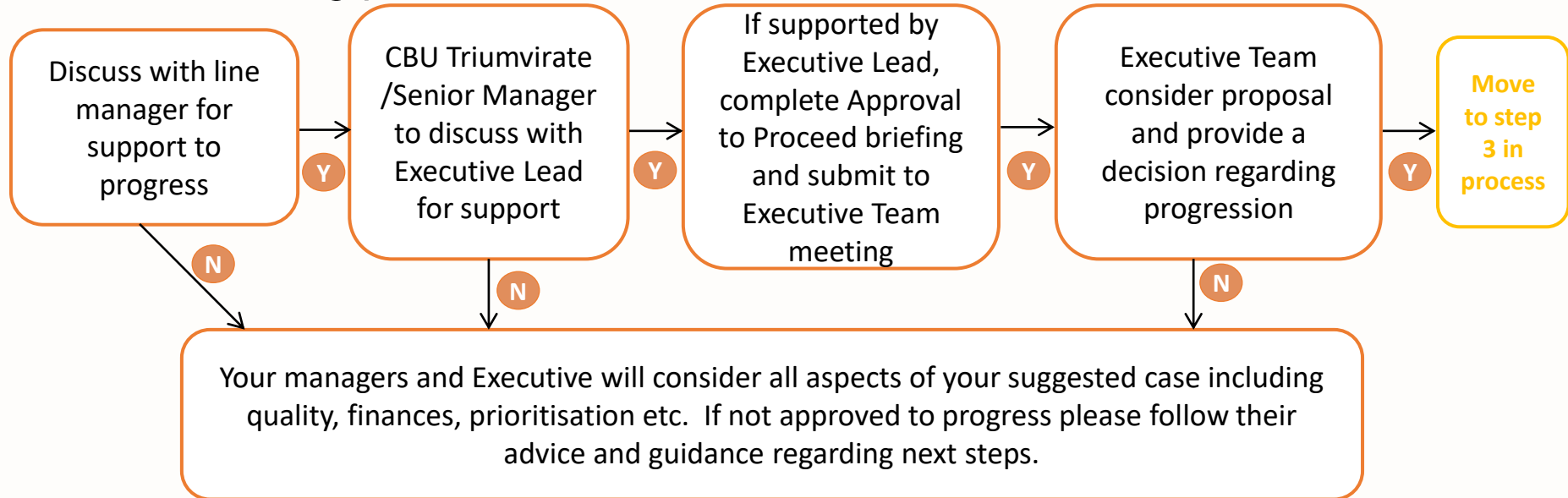| Benefits	Measurable Output	Timeframe
Detail of the benefit	From what to what?	By When

4. RECCOMENDATIONS
The Strategic Executive Oversight Group is asked to:

1. Approve the progression of a business case.

2. Approval to Progress – Route 2

Any business case requests not prioritised via budget setting require approval to progress from the Executive Team via the following process:

```
┌─────────────────┐      ┌─────────────────┐      ┌─────────────────┐      ┌─────────────────┐      ┌──────────┐
│ Discuss with    │      │ CBU Triumvirate │      │ If supported by │      │ Executive Team  │      │ Move     │
│ line manager    │  Y→  │ /Senior Manager │  Y→  │ Executive Lead, │  Y→  │ consider        │  Y→  │ to step  │
│ for support to  │      │ to discuss with │      │ complete        │      │ proposal and    │      │ 3 in     │
│ progress        │      │ Executive Lead  │      │ Approval to     │      │ provide a       │      │ process  │
│                 │      │ for support     │      │ Proceed briefing│      │ decision        │      │          │
│                 │      │                 │      │ and submit to   │      │ regarding       │      │          │
│                 │      │                 │      │ Executive Team  │      │ progression     │      │          │
│                 │      │                 │      │ meeting         │      │                 │      │          │
└────────┬────────┘      └────────┬────────┘      └─────────────────┘      └────────┬────────┘      └──────────┘
        N│                       N│                                                N│
```

Your managers and Executive will consider all aspects of your suggested case including quality, finances, prioritisation etc. If not approved to progress please follow their advice and guidance regarding next steps.

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Contact Commercial Development who will support you to the 'Right Way to Yes'

3. Contact Your Support Function

Contact Commercial Development who will support you to the Right Way to Yes! We will:

Provide you with advice, guidance and the relevant templates to complete your business case

Hold a 'Review and Support' meeting to; understand the 'ask', discuss proposal options, benefits, risks and next steps

Liaise with other departments such as HR and Procurement to ensure you have access to expert advice and gather supporting information

Agree timescales and thresholds:
- Requests under £500k – Executive Team approval
- Requests over £500k – **Review and support** from the Executive Team and Finance and Sustainability Committee (FSC) with **approval** from the Trust Board

Business Case Template

For funding requests over £5000

Warrington and Halton Teaching Hospitals — NHS Foundation Trust

BUSINESS CASE

Guidance:
- Please delete the guidance notes in grey prior to submitting the business case to the Executive Team.
- The purpose of any business case is for the author to outline to the Executive Team why the CBU/Corporate services requires investment for a service development, to address a risk or to address a quality/performance issue. This should be backed up with context, evidence and detail on tangible output/benefits around what the investment will provide.
- The business case will go through several sign off processes so its important that this time is factored into the planning.
- The business case process ensures that the limited available funding is directed in the most efficient way to achieve maximum benefits.
- Business cases are subject to audit.
- Business cases which are requesting over £500k OR are part of a previous business case which TOGETHER add up to over £500k will need to be supported by the Finance & Sustainability Committee and approved by the Trust Board, this will take additional time so please factor this in.
- Business cases can only progressed with the support from the Executive Lead and the wider Executive Team.

| Area: <CBU/Corporate Service> | Reference Number: BC 2021- | Author: <Name of Author> |
| | | Executive Lead: <Name of Executive Lead> |

| Project: <Name of Business Case> | | Date: <Date of BC> |

| Quality & Safety | ✓/✗ | Business Development | ✓/✗ | Capital | ✓/✗ |

1.0 Purpose

The purpose of this business case is to request recurrent/non recurrent funding of X for the provision of X.

2.0 Background

2.X National Context
Guidance: Detail here if there is anything happening nationally that your business case is in response to/support of. For example: NHSE/I has released guidance which mandates that a service has to have a certain level of staff. Please provide references/append evidence.

2.X Local Context
Guidance: Detail here if there is anything happening locally at Cheshire & Mersey level or at PLACE level (Warrington & Halton) which this business case will support.

2.X Trust Context
Guidance:
- What is the problem/issue that this investment seeks to address? Is there a risk? Performance issue? Ensure the context is provided e.g. is this the same for every Trust or just WHH? Is WHH an outlier?
- What is the Trust's current position? Use graphs/charts to illustrate you point.

For funding requests over £5000

- If you are proposing staffing show what you are moving from prior to investment and what it will look like after investment.
- What are the current barriers? Why can't the outputs achieved using current resource?
- Does the business case address a current cost pressure?
- How will the business case affect the CBU/Corporate services ability to achieve CIP?
- Use supporting data such as; Reports; GIRFT, Model Hospital, National Benchmarking

3.0 Proposed Service Development

3.X Outline Proposal
Guidance:
- What are you proposing and Why?
- How will this investment address the problem?
- Will this investment fully resolve the issue?

3.X Options Appraisal/Alternatives
Guidance:
- Why have you chosen this option and not another alternative?
- Where possible, you should detail what other options are available and why these are not considered to be appropriate. Options could include; collaboration with local Trusts, alternative models or outsourcing the service.
- Where staffing is concerned, you should provide rationale as to why the banding has been chosen and why the number of staff has been selected. Include detail around the modelling used to determine the number of staff.

3.X Outputs
Guidance:
- What will this investment provide, how it will address the issue and what is the impact? E.g. Additional nursing capacity which will increase in the number of clinics/appointment thus reducing the waiting list and improving Trust performance? E.g. Appointment of a new audit lead which will increase the number of audits by X which will remove the risk.
- Provide modelling data on how you have determined the correct level of investment for the appropriate increase in activity/outputs.

3.X Benchmarking
Guidance:
- You should include here benchmarking information. If you are proposing an increase in staffing establishment, where possible you should obtain detail from local Trusts to understand their structure.
- You can use data from GIRFT & The Model Hospital to back up your requirement.
- Is there any additional evidence we can provide to show the investment is required?
- How will this investment impact the Trust's Use of Resources?

4.0 Financial Appraisal
Guidance:
- Management Accounts Team to provide a financial breakdown of the investment.
- Management Accounts Team to provide assumptions and details of the modelling used to define the investment.
- If new equipment is required, detail of procurement requirements should be considered e.g. waivers and the reason for this.

For funding requests over £5000

- If details of increase in clinical activity are an output of the business case, the Costing & Income Team should be involved to provide detail on potential income levels and the costs to provide the service.
- The Management Accounts Team should check the CBU/Corporate Service budget to ensure there is no funding in budget prior to proceeding with a business case. This should be covered under assumptions.
- Is there anything to offset the investment e.g. return on investment, additional income, improved efficacies resulting in a reduction of costs?

5.0 Benefits

Guidance: All benefits should be SMART (Specific, Measurable, Achievable, Realistic and Timely). This is the most important section of the paper, here you need to provide detailed measurable benefits around what the return the Trust will see for this investment. This detail will be transferred to the business case.
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Benefits	Measurable Output	Timeframe
Detail of the benefit	From what to what?	By When

6.0 Risks
Guidance:
- Outline here what the risks are if the Trust does not invest in this business case.
- Are these risks on the CBU/Corporate Service Risk Register of Trust BAF?
- What will the impact be to the Trust if this risk is realised "so what"?

6.1 Impact Assessment
Guidance:
- If your investment is agreed, think about what will the impact be on other Trust services. E.g. a new consultant will may require additional IT equipment. The new consultant clinic may also require additional Clerical, Nursing or Therapies staff. A new type of clinic may require something different in Pathology, Outpatient Radiology or Pharmacy. New equipment could mean additional costs in relation to maintenance/decontamination.
- How do you plan to mitigate this impact?
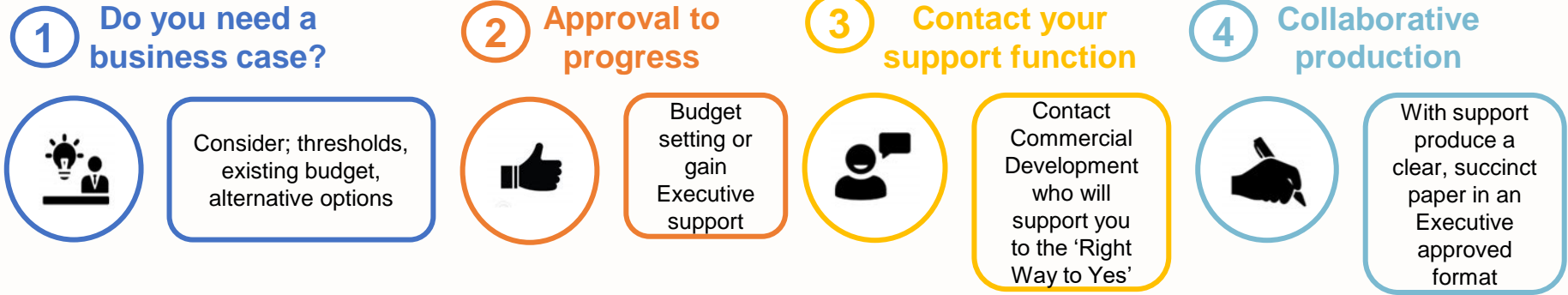- If there is no impact, please say "None".

Impact	Mitigation

7.0 Recommendations

The recommendation is for the Executive Team to support/approve ....at a cost of........

Should this business case be approved, a benefits realisation paper will be returned to the Executive Team by insert date

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With support produce a clear, succinct paper in an Executive approved format

4. Collaborative Production

Commercial Development, Management Accounts and other departments will support you to develop your case. We will:

Help you to write narrative in a style that is familiar to the Executive Team

Help you to access relevant data

Guide you to the information that needs to be included such as; modelling, benefits, measurable outputs and risks

Complete a robust financial appraisal to be included in the business case

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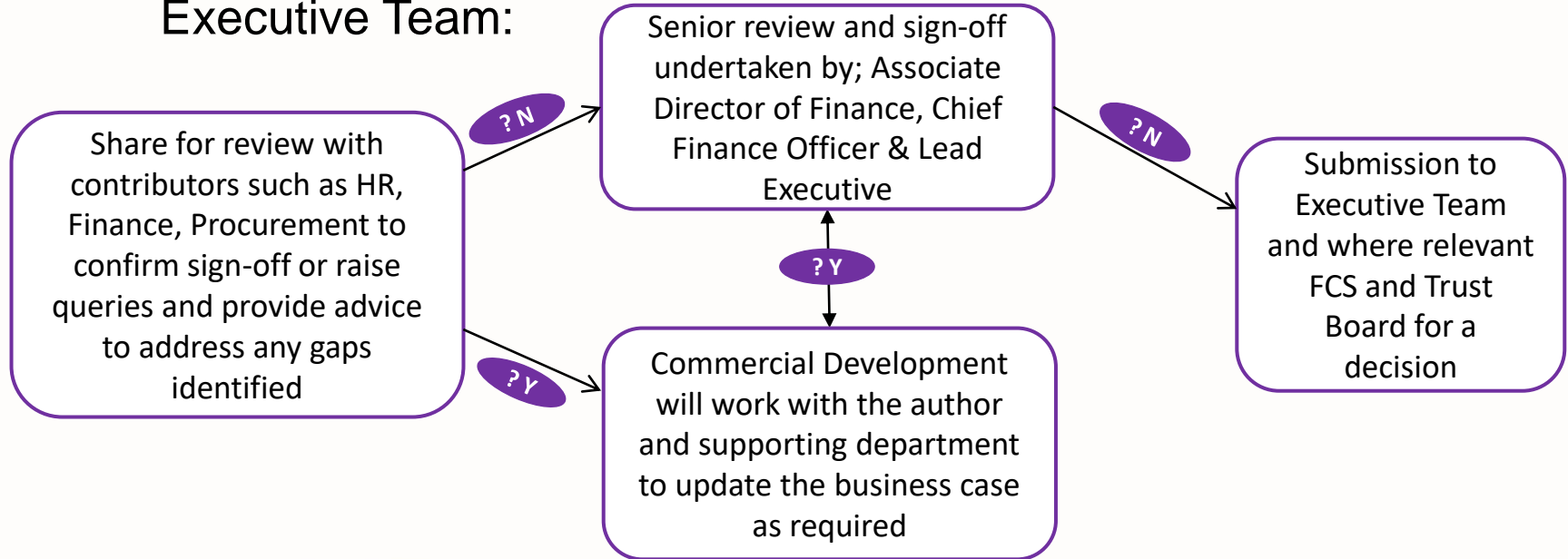
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Review and sign-off by support functions and senior finance, address any queries/gaps identified
Prepare your Executive to present final case

5. Sign-Off Process

Your business case will be put through the following sign-off process ahead of submission to provide assurance to the Executive Team:

Share for review with contributors such as HR, Finance, Procurement to confirm sign-off or raise queries and provide advice to address any gaps identified

? N →

Senior review and sign-off undertaken by; Associate Director of Finance, Chief Finance Officer & Lead Executive

? N →

Submission to Executive Team and where relevant FCS and Trust Board for a decision

? Y ↕

? Y →

Commercial Development will work with the author and supporting department to update the business case as required

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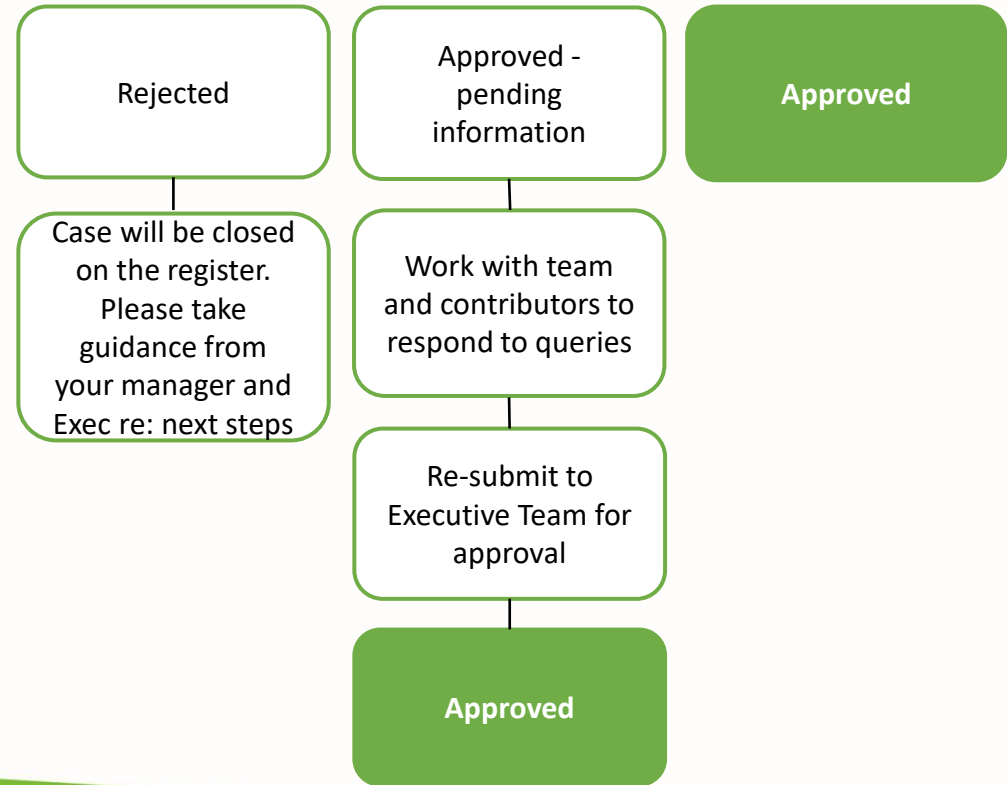Prepare your Executive to present final case

6 **Outcome**

Executive outcome received, please mobilise your development or undertake any next steps identified

6. Outcome

- All business cases are considered by the Executive Team and go through a '2 read' process
- 1st read – case is presented and additional information may be sought from author
- 2nd read – decision is made
- Cases over £500k – Review and outcomes from Executive Team, FSC with the final decision made by Board
- Commercial Development will communicate the outcome to the author and relevant support functions

Rejected

Case will be closed on the register. Please take guidance from your manager and Exec re: next steps

Approved - pending information

Work with team and contributors to respond to queries

Re-submit to Executive Team for approval

Approved

Approved

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7. Benefits Realisation

Any approved business case will require a benefits realisation update to show the outputs realised as a result of your development.

The business case will state when a benefits realisation paper will be completed

Other departments such as Finance and HR may provide information to support completion of the benefits realisation update

All benefits realisation reports are submitted to the Executive Team as part of quarterly Benefits Realisation report

Commercial Development will co-ordinate and support your update using a standard template

The update should include successes, unexpected benefits, blockers, supporting data and lessons learned

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Questions