

# 9 PART B: Tranche 1 Executive Summary

## 9.1 Introduction

This section of the business case describes the planned Tranche 1 implementation. It summarises the local context, financial requirements and management arrangements for the proposed implementation in mid-2017.

The first phase of implementing the National Bowel Screening Programme would be the expansion of the existing bowel screening pilot in Waitemata DHB, to accommodate two additional DHBs.

## 9.2 Purpose of Business Case

This Tranche 1 Business Case has been developed as the first project business case in support of the Programme Business Case for a National Bowel Screening Programme (Part A of this document).

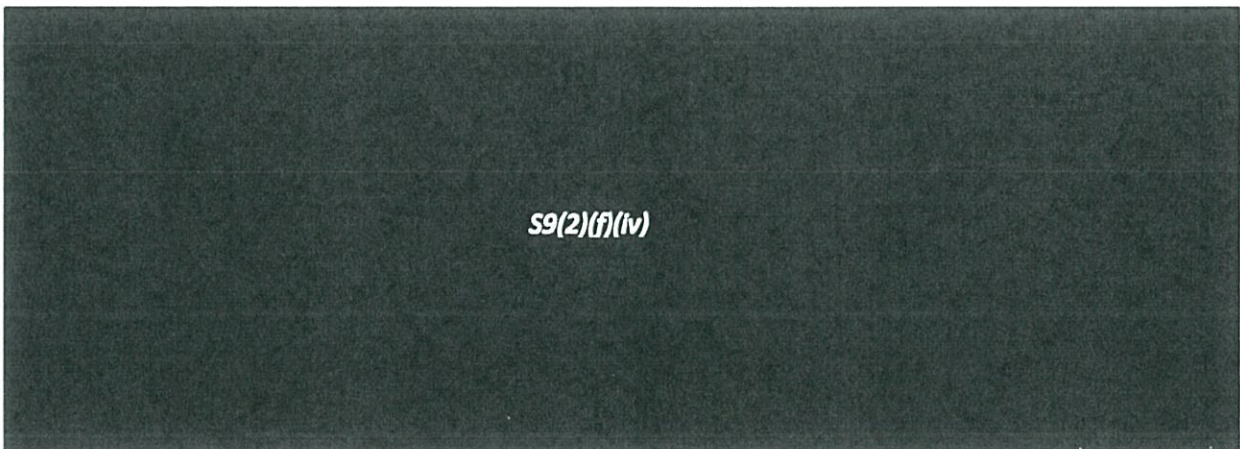
This business case:

- Details the first implementation, in Hutt Valley and Wairarapa DHBs and the transition of Waitemata DHB from a pilot to supporting an expanded first implementation. This includes the local context, proposed approach, timing and costs.
- Details Tranche 1 ongoing operational costs for the three Tranche 1 DHBs, plus implementation cost for the National Coordination Centre and Bowel Screening Regional Centres.

The Tranche 1 DHBs, New Zealand Treasury, Government Chief Information Officer (GCIO) and Ministry of Business, Innovation and Employment (MBIE) have been actively engaged throughout the development of this business case.

The Tranche 1 implementation is seeking funding (inclusive of amounts announced in Budget 16) of **S9(2)(f)(iv)** over the 20-year modelled period. The business as usual cost (from 2020 onwards) is **S9(2)(f)(iv)** per year. The summary Tranche 1 funding requirement is shown in Table 32.

Table 32: Tranche 1 Funding Requirements



**S9(2)(f)(iv)**

## 9.3 Strategic Context

### Selection of DHBs for Tranche 1

Hutt Valley and Wairarapa DHBs have been selected for the first stage of the national roll-out, alongside Waitemata DHB which has been running the bowel screening pilot since late 2011.

Hutt Valley and Wairarapa DHBs were selected due to their strong clinical leadership, their history of working together and their strong primary care links. Both DHBs are able to begin screening in 2017. Other factors included their unique population mix that includes a rural component and their moderate to high bowel cancer incidence rates.

### Tranche 1 Scope and Interim Service Delivery Model

The scope of Tranche 1 is the development of BSP+ (the extended Pilot IT system), the procurement of the National Coordination Centre and the Bowel Screening Regional Centres, the planning and go-live for the Tranche 1 DHBs and the design of the national IT solution.

Waitemata DHB would provide central laboratory/coordination centre services, manage invitations, processing of iFOBT kits and results notification. Hutt Valley and Wairarapa DHBs would undertake the required colonoscopies and report activity to the coordination centre.

Procurement activity would be undertaken to identify the NCC and BSRC partners. The existing Pilot IT system would be extended as BSP+, to safely accommodate the additional DHBs and ensure the effective operating of the Programme in Tranche 1. In parallel, work would commence on the design for the IT solution which would be implemented from early 2018, to support the expansion of the Programme to the remaining DHBs.

### Benefits of a National Bowel Screening Programme: Tranche 1 DHBs

In addition to the Programme benefits summarised above, the Tranche 1 DHBs (Waitemata, Hutt Valley and Wairarapa) have identified the following local benefits:

- Reducing the age range (from 50-74 to 60-74) and increasing the threshold for positivity (from 75 to 200ng of haemoglobin/ml buffer) would reduce the number of screening colonoscopies at the DHBs<sup>52</sup>;
- Greater publicity around bowel screening may increase participation rates and early symptomatic self-referrals, contributing to improved health outcomes;
- Increased awareness of bowel screening may increase uptake of other screening programmes.

### Strategic Alignment and Stakeholder Support: Tranche 1

The National Bowel Screening Programme aligns with:

- **Waitemata DHB:** Promise, Purpose and Priorities and key outputs in the Annual Plan;
- **Wairarapa and Hutt Valley DHBs:** Paolo mo tagata ole Moana: Pacific Health Action Plan 2015-18;
- **Wairarapa DHB:** 2016-17 draft Māori Health Plan, Tihei Wairarapa workplan for 2016/17, and the 2016/17 Wairarapa Annual Plan.

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<sup>52</sup> Although the number of screening colonoscopies would reduce, the benefits would be increased with the positive predictor value of the colonoscopy, i.e. more cancers found per colonoscopy undertaken minimises harm.

## 9.4 Commercial Case

For Tranche 1 there would be no new procurements, although market engagement would be undertaken for the National Coordination Centre (NCC) and Bowel Screening Regional Centres (BSRC).

The current arrangements for the Bowel Screening Pilot would be adapted and extended for Hutt Valley and Wairarapa DHBs, where necessary. This would require a variation to existing contracts with Waitemata DHB as the Pilot provider (to provide coordination centre services for the first two DHBs), **S9(2)(i)** and with Argonaut to update the BSP IT system to accommodate the first two DHBs. The existing payment approach, accountancy treatment and risk allocation arrangements that are currently in place with each supplier would continue.

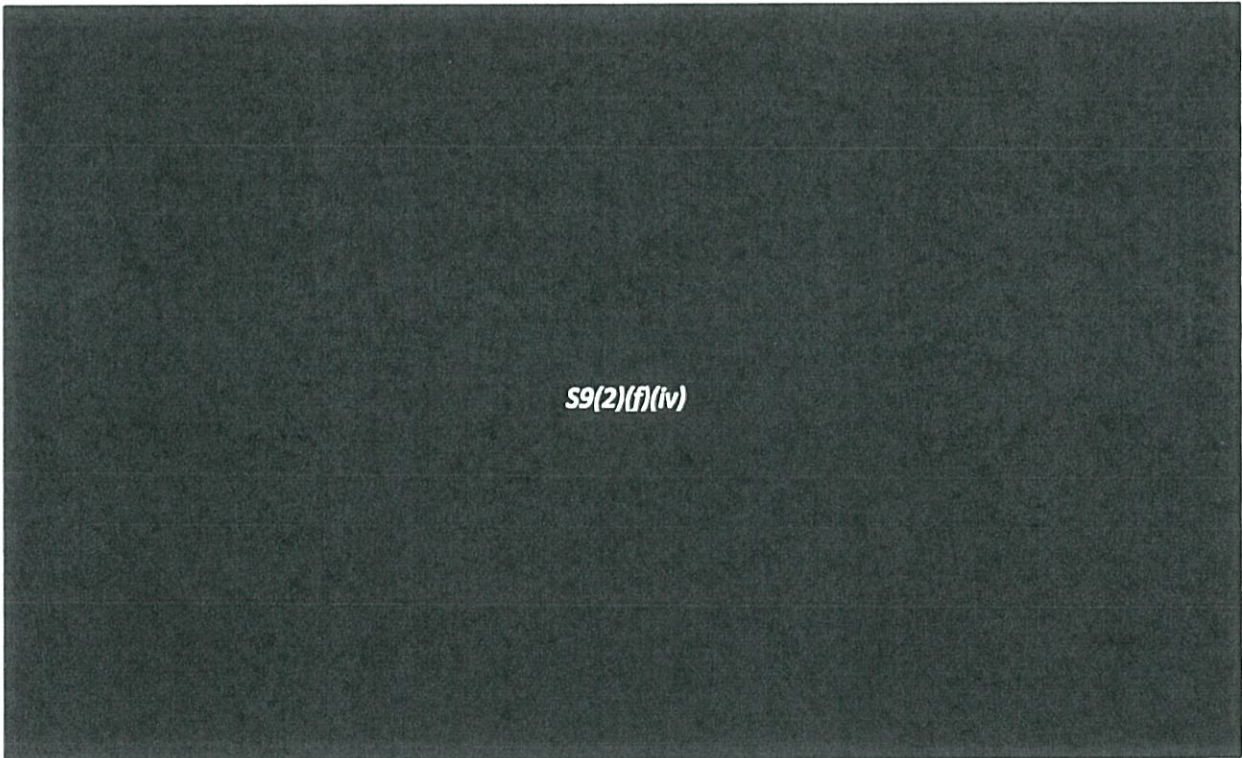
Contracts with Hutt Valley and Wairarapa DHBs would be required until the contractual arrangements can be transitioned to the National Coordination Centre and Bowel Screening Regional Centres.

## 9.5 Financial Case

### Tranche 1 Financial Costing Model

The costs relating to the Tranche 1 implementation are a subset of the overall Programme costs in section 7 and comprise operating costs over the 20-year whole of life modelled period. The financial costing model is summarised in Table 33.

Table 33: Tranche 1 Costs



**S9(2)(f)(iv)**

The impacts of the proposal on the operating statements and cash flow have been assessed by the DHBs and by the Ministry of Health. The costs associated with the implementation of Tranche 1 are based on key assumptions, which may vary during the implementation phase.

The Tranche 1 cost is **SS(2)(f)(iv)** over the 20 year modelled period, including screening programme funding and the brought forward DHB treatment costs associated with the delivery of the programme.

The key assumptions used in the Tranche 1 financial modelling are:

- Expected volumes of participants at each stage of the pathway were modelled based on findings from the Bowel Screening Pilot, revised for the reduced age-range for the Tranche 1 programme;
- The estimate of the individual elements of Tranche 1 are based on the costs of the Bowel Screening Pilot in Waitemata DHB;
- Participation rate assumed at 62%.
- Extension of the Bowel Screening Pilot IT system, estimated at \$0.4 million, is funded within the IT DE funding announced during Budget 16.

## 9.6 Management Case

### Governance

The governance of Tranche 1 would sit within the context of the wider programme governance structure. Waitemata DHB would continue with their internal Steering Group reporting to the Waitemata DHB CEO. Hutt Valley and Wairarapa DHBs would establish a joint Steering Group, with accountability to their respective CEOs. There would be some cross membership between the DHB groups and the Ministry. The Ministry will establish an overarching governance group to oversee the Tranche 1 implementation.

### Project Management and staffing

Prince2 or the local DHB approach would be used for project management. The Waitemata transition project would be led by the manager of the Bowel Screening Pilot. The Hutt Valley and Wairarapa implementation projects would be led by the 2DHB Programme Manager, supported by a project lead at Wairarapa DHB and DHB Clinical Leads and Nurse Leads on both sites.

### Implementation Timeline

The Tranche 1 DHBs are expected to implement the bowel screening programme from July 2017.

### Change Management

The Programme Manager, Project Manager, IT Change Manager, Relationship Managers and Communication and Stakeholder Senior Advisors at the Ministry would all have responsibility for supporting change, and would work closely with DHB teams. Waitemata DHB would make their training modules and change management support materials available to Hutt Valley and Wairarapa DHBs, recognising that updates are likely to be required.

### Communications and Engagement

Waitemata DHB would provide advice and resources to Hutt Valley and Wairarapa DHBs. The Tranche 1 DHBs would take on some communications functions during implementation, that would later be undertaken by the National Coordination Centre and the Bowel Screening Regional Centres. A dedicated Ministry Communications/Stakeholder lead would work alongside the DHBs and Programme communications leads to ensure consistent, accurate communications and effective engagement.

## **Benefits and Risk Management**

Benefits and risk management would be undertaken by the Tranche 1 DHBs, in liaison with the Programme. Monitoring and management of risks would be undertaken by the DHBs and Programme jointly. Whilst DHBs would be responsible for monitoring and managing their own risks, the Programme would monitor significant Tranche 1 risks that threaten the planned implementation of the wider Programme.

## **Monitoring and Evaluation**

The planning and rollout of the Tranche 1 implementation would be monitored by the Programme team at the Ministry of Health, to ensure that all required elements are in place prior to go live. Post implementation reporting would be undertaken to identify learning points for subsequent implementations, and to determine the extent of benefits realised. Tranche 1 would be subject to Major Projects Monitoring assurance, as part of the wider programme assurance. The programme, and Tranche 1, is subject to Gateway review and a Readiness for Service (Gateway 4) would be held prior to go-live.