

Trust Board Meeting

03 November 2016

Title of the paper:	Strategy update	
Agenda item:	16/42	
Lead Executive:	Helen Brown - Director of Strategy and Corporate Services	
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Trust aims :	Double click on the box to mark as appropriate: <input checked="" type="checkbox"/> To deliver the best quality care for our patients <input checked="" type="checkbox"/> To be a great place to work and learn <input type="checkbox"/> To improve our finances <input checked="" type="checkbox"/> To develop a strategy for the future	
Purpose:	The aim of this paper is to update the Board on the development of the Trust 's strategy.	
Link to Board Assurance Framework (BAF)	PR9 Failure to develop a long term clinical, financial and estates strategy	
Previously discussed:		
Committee	Date	
Trust Executive Committee	18 May 2016	
Benefits to patients and patient safety implication		
Recommendations		
The Board is asked to note the progress update		

Trust Board Meeting – November 2016**Strategy Update****Presented by: *Helen Brown, Director of Strategy and Corporate Services***

1. Your Care Your Future ~ integrated care and pathway re-design.

The Trust is continuing to actively engage in discussions with HVCCG and local provider partners (Hertfordshire Community Trust, Hertfordshire Partnership FT, HVCCG GP provider federations and the Royal Free Hospitals FT) regarding building new collaborative provider delivery arrangements to support the delivery of integrated care and pathway redesign as set out in Your Care, Your Future.

Interviews were held for the Director of Integrated Care post on the 17th October and an offer made and accepted.

There is a continued dialogue with the CCG on the pathway redesign priorities for the provider partnership. Partnership redesign of the following pathways is currently being actively progressed:

- Stroke
- Diabetes
- Gynaecology
- MSK

Opportunities to redesign unscheduled care pathways are also actively under discussion between providers as an urgent priority given the continued pressure on the Trust's ED and inpatient care services.

2. Your Care, Your Future - acute transformation / redevelopment planning

The Trust is continuing to work with HVCCG to determine the long term optimal solution for the configuration of 'acute hospital' services and develop a strategic outline business case for capital investment to address the current poor estate infrastructure.

Work is continuing on the detailed option appraisal that will inform the identification of the preferred option or options within the Strategic Outline Case. HVCCG and WHHT provided an update on progress with the option appraisal at a stakeholder event on the 4th October.

The non-financial scoring shows a preference for new build options over redevelopment options; however there is a relatively small differential in non-financial scores for the different site / configuration options. Options that include a full new build for emergency and specialised care on either the Watford and Greenfield sites score more highly than redevelopment options on the Watford site, for example, but are themselves relatively closely matched in the non financial scoring.

Financial analysis undertaken to date has however identified that there would be significant additional costs to a greenfield redevelopment compared to new build on the Watford site. This relates to the additional costs associated with putting in the new utilities and transport infrastructure required to develop a hospital on a new site.

Further detailed work on the financial analysis (capital costs, value for money (NPV) and affordability) is continuing. All options will require substantial capital investment in the estate infrastructure and the most challenging aspect of developing the business case and securing funding will be demonstrating the affordability of the investment to the Trust and local health economy.

The SOC is due to be finalised for formal decision making in early 2017.

3. Estate Strategy

The interim estate strategy is currently being finalised and a draft will be presented to Safety and Quality Committee and Finance and Performance Committees for review in November 2016.

4. Sustainability and Transformation Plan

The STP submission was made on the 21st October. The STP sets out local plans for Hertfordshire and West Essex to transform local services over the next five years to address the changing health needs of the population and addressing the significant financial gap projected in the 'do nothing' scenario. The plan will be formally presented to Boards in 2017, once feedback has been received from NHS England.

Recommendation

The Board is asked to note the progress update.

Helen Brown

Director of Strategy and Corporate Services

19th October 2017

**HERTFORDSHIRE AND WEST ESSEX SUSTAINABILITY
AND TRANSFORMATION PLAN 2016-2021**

September 2016

INTRODUCTION

This report provides an update on progress with the development of the 5-year Sustainability and Transformation Plan (STP) for health and care services in Hertfordshire and West Essex.

The purpose of the STP is to give a focused strategy over five years to tackle the fundamental issues facing the local health and care system, resulting in an affordable, high quality service that is effective in meeting the needs of the local population into the future. This report will outline how partners in Hertfordshire and West Essex are defining the issues, and the approaches proposed to tackling them.

The STP will be a major strategic initiative, but care is being taken to ensure that it develops alongside and enhances the delivery of existing strategies (the Health and Wellbeing Strategy is an obvious example). The Your Care Your Future (YCYF) programme in the west of Hertfordshire is a long-standing piece of work that many people and organisations have contributed to, and which is now at an important and sensitive point as it starts to consider options. The STP will acknowledge the importance of YCYF, and the formal process that YCYF is undergoing will continue as planned.

A revised STP is currently being produced for submission to the national Arms-Length Bodies in late October; the plan will be published once it has been signed off at national level.

DEFINING THE ISSUES

The high-level priorities are the financial pressures, particularly on acute hospitals, which saw a combined deficit at the end of 2015/16 of just over £100m (in an overall NHS budget of approximately £1.5 billion) for the three hospitals in the STP area, and pressure on services, particularly unplanned (urgent and emergency) care through the whole pathway, and in primary care. It is estimated that, if no actions are taken by NHS and social care organisations, the financial deficit could potentially rise to over £400m by the end 2020/21, which is clearly unsustainable.

The result is a health and care system that faces serious challenge in providing the best and most effective care to the population unless the situation is addressed as a whole system acting together:

- The financial position is such that it cannot be sustained without a significant shift to more efficient ways of delivering health and care services
- All three acute hospitals are challenged in meeting NHS Constitution commitments about waiting times in A&E and for cancer treatment
- One of the acute trusts was placed in special measures by CQC in autumn 2015, rated 'inadequate', the others are rated 'requiring improvement'

- Primary care and community services (both health and social care) have little or no capacity as currently provided to meet expanding levels of demand.
- Demand, based on the health needs of the population, will grow significantly without intervention, with the population of over-75s forecast to rise by almost 40% in the next 10 years.

Across the whole system there are challenges with workforce – overall shortages of some specialist skills, difficulties in recruiting or retaining staff, or age profiles that signify a future challenge. Hertfordshire and West Essex also rely more than most other areas on agency and temporary staff, which adds to the financial challenge.

Analysis of these issues leads to where initiatives and interventions must be most strongly targeted to achieve the long-term sustainability of high quality care, better outcomes and a fully affordable system that is the aim of the STP.

- As has been well documented, many of the people who are seen in A&E do not need to be seen there, many of the people admitted to hospital through A&E do not need to be admitted to hospital, and many of the people in hospital should have been discharged. The challenge is to provide the effective alternatives that delivers the right care, at the right time and in the right setting for people and stops this sub-optimal, inefficient and expensive over-reliance on hospital services.
- Evidence shows that hospital admissions for people who have long term conditions are often avoidable if care and earlier interventions are better planned and built around individual needs and circumstances.
- Across the population of Hertfordshire and West Essex, as with the rest of the country, there are variations in the prevalence of, and the shortening of lives due to, cancer, heart disease, and respiratory disease, depending on where people live and their socio-economic status. By taking a more focused, place-based approach to addressing health issues it is possible that this type of inequality can be tackled.
- The different commissioners and providers of services are currently working to different sets of standards and care protocols. If all in Hertfordshire and West Essex adopted best practice within the STP, let alone national and international best practice, there would be significant improvements in care, outcomes for patients, and efficiency.

This, in summary, is the set of issues that will be tackled by the STP.

PROPOSED SOLUTIONS

The STP will focus on four major initiatives to transform the way health and care services are delivered to the population of Hertfordshire and West Essex. It is important to acknowledge that there are currently two processes being undertaken within the STP area which include options to access capital funding, in West Essex and West Hertfordshire. The STP makes no assumption about the outcome of those processes, although the eventual outcome may impact on the way services are delivered, and allowance will need to be made for any capital expenditure.

i) Preventing ill-health

One of the main causes of pressure on services is the increase in demand for those services, particularly from the increasing numbers of older people in the population, who are more likely to be frail, or to have complex health needs from one or more long-term conditions. The STP will therefore include a strategy for keeping as many people as possible as well as possible, for as long as possible.

This will build on the Health and Wellbeing strategies in Hertfordshire and Essex, and will take a focused approach to targeting interventions where they can be most effective. By integrating the prevention of ill-health into the locality-based integrated community and primary care services, it will be a stronger element of mainstream services, shifting the emphasis to 'health and wellness' from 'treatment and illness'. It will also enable different localities to focus more effectively on specific priorities at a local level. The key parts of this strategy will be:

- Continuing to tackle the long-term causes of poor health – smoking, obesity, lifestyle etc.
- Working in localities and with primary care to identify people who are at risk of developing long-term conditions, or of having a worsening condition, and offering appropriate interventions.
- Working proactively with people who have long-term conditions to prevent exacerbation, with individual care plans delivered by integrated multi-disciplinary teams.
- Using technology and other support mechanisms to assist people to effectively manage their own conditions.

It is currently envisaged that these initiatives will initially be focused on conditions with the highest prevalence, to have the biggest positive impact both on local people and the health and care system, so this may include people who have, or are at risk of developing, diabetes, atrial fibrillation, falls and COPD.

ii) Local integrated primary, community, mental health and social care

Focusing on caring for people at home and in community settings, and moderating the demand for hospital services, there will be increased investment and greater integration of community-based services.

The basis for this strand of the STP is that there are many people now who are in hospital, or attend A&E who do not need to, but do so for lack of the right alternative, or the right 'signposting' for their particular condition. The proposal is to provide a service for people most at risk of unnecessary attendance or admission to hospital that gives them the best chance of remaining well enough not to need urgent or emergency care (see the Prevention plans above), and puts in place proactive care plans to support management of their condition.

Services will be based on the currently defined localities, and will be fully integrated, place-based multi-disciplinary teams with flexible ways of working to respond to individual circumstances within a framework of protocol-driven care pathways (focused on frailty and long-term conditions – diabetes, cardio-vascular and respiratory disease initially).

These services will develop protocols for urgent care, to develop pathways that divert people who don't require hospital services away from them, and will also manage elective referrals to hospital more effectively.

There is a recognition that people with mental health problems do not have access to health services on a parity with the population as a whole, resulting in significantly shorter life expectancy, and often inappropriate treatment. A recent analysis in West Essex showed that 40% of in-patients at Princess Alexandra Hospital had mental health problems, and that 60% of GP consultations were concerned with mental health. It is intended that, by integrating mental health services into the locality services, these inequalities will be addressed.

iii) The configuration of acute services

The integrated community services will aim to provide the range of services to ensure that only people who cannot be treated anywhere other than an acute hospital attend or are admitted to hospital, and once treated spend no more time than is necessary in the hospital setting.

The three acute hospitals in the STP (Watford, Lister and Princess Alexandra) will all work closely with local community and primary care services to deliver pathways and protocols that encompass the whole patient experience.

There are plans for the three hospitals to work together on a range of services – strategies for vascular and cancer services require development, and there are opportunities to work together on maternity and paediatrics. Additionally, there are two partnerships developing that aim to benefit services to the local population:

- East and North Hertfordshire Trust (ENHT) and Princess Alexandra (PAH) are co-operating on clinical services (initially to ensure sustainability of services at PAH which were becoming vulnerable because of low patient numbers or staffing challenges), with a view to closer working and improving effectiveness and efficiency in a range of clinical and other areas.
- West Hertfordshire Hospitals Trust is exploring becoming a partner with the Royal Free group of hospitals, to capitalise on the synergies this will give to the population of west Hertfordshire (many of whom use Barnet and Chase Farm, part of the Royal Free group) as well as gaining the benefits of working with the Royal Free.

Both these partnerships will give the opportunities for the development of less variance in clinical services – adopting best practice within each partnership and across both – and the ability to put in place more flexible staffing (e.g. rotas) to support sustainability and quality standards, as well as greater efficiency.

The greater emphasis on treating people in the community will mean that hospitals will reduce their capacity accordingly. It will be essential that where this happens it is planned, and the appropriate reinvestment made in community, social, and primary care.

iv) Achieving financial balance

The solutions described above will realise savings from:

- Prevention initiatives – reducing the demand for services;
- Moving services to lower cost settings, by promoting self-management of conditions, treating more in community settings, and focusing on preventing unnecessary hospital attendances and admissions;
- Clinical productivity and efficiency – all partners in the STP adopting best practice protocols and pathways for treatment and care;
- Service consolidation – working more closely between organisations, such as in the partnership between ENHT and PAH, to ensure services continue to be sustainable for local people by working together to ensure proper staffing levels or sufficient numbers of patients;
- Site/estate and facility efficiencies – ensuring buildings – hospital, community, primary care, social care – are fully utilised and efficiencies realised.

The value of these savings will be arrived at by modelling activity changes and financial data across the whole STP area, building on initiatives already undertaken (as part of YCYF in Hertfordshire, and on the strategy for the future development of PAH) and work commissioned on behalf of the STP on prevention initiatives.

In addition, further benefits of integrated working between both commissioners and providers – e.g. consolidated back-office and support services, reduced transaction costs – are being identified.

CONCLUSION

The proposals set out in this report are currently being analysed for the impact they will have on the long-term sustainability – both in terms of clinical and professionally-provided services and affordability – of the health and care system in Hertfordshire and West Essex. The proposals in themselves are not new, but the scale at which they will need to be implemented, and the pace of change, will be significant; the benefit of achieving the goals of the STP will be a health and care system that is more aligned to the needs of the communities and individuals which it serves, and that has a long-term future.

Helen Brown
Director of Strategy and Corporate Services
November 2016