Countess of Chester Hospital NHS
NHS Foundation Trust

Summary
Strategic Plan Document for 2014-19

June 2014

Background

The Trust comprises the Countess of Chester Hospital, a 600 bed hospital, providing the full range of acute and a number of specialist services, and also uses Ellesmere Port Community Hospital, a 70-bed rehabilitation and outpatient facility. The Trust has over 3,500 employees and provides acute emergency and elective services, primary care direct access services and obstetric services to a population of approximately 250,000 residents mainly in Chester and surrounding rural areas, Ellesmere Port and Neston and the Deeside area of Flintshire. More than 425,000 patients attend the hospital for treatment every year – ranging from a simple outpatient appointment to major cancer surgery.

We are the main Trust serving Western Cheshire and provide services to approximately 30% of the population covered by Betsi Cadwaladr University Local Health Board in Wales. Welsh patients represent approximately one fifth of the workload of the Trust.

The Trust was authorised as a Foundation Trust by Monitor in 2004, and this year celebrates its 10th anniversary.

Strategic Plan Summary

Our long term strategy is built on three key programmes:

- *West Cheshire Way* working with our local healthcare and other related partners to drive service re-design and integrate care for the residents of Western Cheshire. We will adopt the approach of an Accountable Care Provider organisation.
- *Integrated Specialist Services* providing the right services to meet the needs of our patients, either as part of clinical network or as a specialist centre in our own right.
- *Countess 20:20* reviewing our core services to ensure they deliver the outcomes and quality our patients deserve.

The three programmes of work are supported by a series of enablers:

- Technology making best use of medical and information technology available.
- Clinically Led to make ourselves the most clinically led and engaged organisation in the NHS.
- Research, Education & Innovation to utilise the learning and creativity that exists within our organisation to ensure the delivery of quality outcomes, efficiency and sustainability.

Examples of how we will deliver our strategy:

West Cheshire Way -

- **Ambulatory Care** – we intend to transform A&E into an Urgent Care Hub, with a target of 80% of patients presenting seen, treated and discharged within 48 hours. This hub will treat patients with known conditions, and will be co-located with the local GP Out-of-Hours service, Paediatric A&E, and diagnostic services. We anticipate that the patient journey will be through Ambulatory Care, Medical Assessment Unit, Short Stay Facility (max 24 hours), to ultimately an inpatient ward only if clinically necessary. The aim is to reduce the number of inpatient beds within the hospital, utilised at a safe and effective level of occupancy. We will be making a significant capital investment to create the Urgent Care Hub.

- **Acute Community Care** – to achieve the aim of being the Western Cheshire Accountable Care organisation we will expand our Early Supported Discharge and Hospital at Home services so that we can respond to our patients' social and health needs. We intend to move from patients treated in c600 inpatient hospital beds, to c1,000 patients treated by a service in a mixed care setting including the community. By providing social and domiciliary care,

maintaining our patients in the community will become the norm. We will strengthen links with the Integrated Wellbeing Service and ensure specialty outreach services and therapy services are joined up operationally and strategically.

Our aim is that within the next 18 months, the Trust in conjunction with its local healthcare partners will have established the infrastructure and clinical networks and services necessary to delivery these components of our strategy. All the partners are signed up to the West Cheshire Way, and therefore the risk of non-delivery is seen as low. The Trust will monitor the delivery of this part of our strategy through regular reports to the Finance and Integrated Governance Committee, and the Trust Board, as well as the Clinical Senate established within the local health economy.

This part of the strategy is the highest priority for the Trust, and accordingly we are developing a range of communication and engagement strategies to ensure our staff and patients are fully informed.

This strategy is seen as the solution to the future financial sustainability changes of the health system, by moving care out of the hospital setting where appropriate, and treating higher numbers of patients within a fixed envelope of cost and income.

Integrated Specialist Services -

- **Specialised Services** – we will review and ensure our specialist services respond to NHS England's specifications and provider requirements. To help this we aim to deliver smaller wards servicing these services – creating and using more side rooms and having split use wards. We will develop a Vascular Hybrid theatre to support the SMArt Centre at Chester.

- **Elective ring-fencing** – Or aim is to ensure no patient has their operation cancelled for a non-clinical reason, therefore we will ensure our elective beds are ring-fenced to protect them from emergency outliers, reducing the need for cancellation.

- **Theatres** – as described above we are reviewing our theatres provision to obviate the need for our two temporary theatres. This involves exploring the potential for two Ophthalmic theatres co-located in Westminster Eye Unit, and the need for a 4th daycase theatre. We will ensure our theatres are fully utilised also.

- **Outpatients** – following our capacity review we are streamlining our booking processes, reception areas and treatment rooms to ensure they are utilised as effectively as possible.

Countess 20:20 -

- **7 Day Working** – we are identifying our priority clinical services, support services, trajectory, funding and risks, the infrastructure requirements, HR/Contract implications and back office functions necessary to implement this initiative

- **Radiology** – our replacement programme includes a 320 slice CT scanner which will deliver greater clinical efficiencies, however a, 3rd CT scanner and a 3rd MRI scanner during the next 5 years will be needed to keep pace with demand.

- **Pharmacy** – we are looking to expand prescribing support in both primary and secondary care.

- **Service Reviews** – our programme of service reviews are ongoing. Based on clinical needs and outcomes we are exploring whole services or part of services leaving the organisation, and potentially new services joining us.

- **Procurement** – Commercial Procurement service opportunities are being explored.

Enablers to Support the Strategy –

- **Energy** – identifying opportunities and savings around our energy infrastructure.

- **Technology** – our IT programme includes Meditech (PAS) replacement, telehealth and telemedicine, electronic casenotes, shared GP record, OP check-in, telephony and core infrastructure.

- **Culture & Clinical Engagement** – initiatives include our clinical workforce & leadership development programme, strategies including High Quality Care Costs Less, 24/7 working, and performance metrics. Our people strategy, training, recruitment, retention and succession planning initiatives.

- **Research Education & Innovation** – We are progressing a joint venture with Chester University to develop the Centre for Integrated Healthcare Science at Bache Hall, including new graduate medical education schemes. We are a member of AQuA.

- **Site Strategy & Capital Priorities** – including refurbishing the Women & Children's Building, our theatres, the Urgent Care Hub, our ward refurbishments, hospital backlog maintenance, Meditech replacement & IT infrastructure, CT & MRI scanner provision, and replacement medical equipment.

Market Analysis and Context

Western Cheshire Demography

Western Cheshire has a population of around 260,000 in the context of Cheshire West & Chester population of 330,200, with an older age profile than is seen nationally. The population has a higher proportion of people aged over 45, with nearly 18% of the population over 65 compared to 16% nationally.

Over the next 10 years, the population in the borough is expected to increase, particularly amongst those over 65 years old. Simultaneously the numbers of young people are predicted to decrease, although the birth rate recently increased affecting Chester and Ellesmere Port particularly. Life expectancy is improving in Cheshire West & Chester, men at 79.2 years and women at 82.3 years, the trend for life expectancy in the borough has been improving for the last 10 years.

The rural localities in the borough have a higher percentage of people aged above 60 than the borough or nationally, together with a corresponding dip of those aged 20-39. Rural localities generate one third of fall admissions with an injury in the over 65 year olds. In Cheshire West & Chester 13.2% of households are single pensioner households, this compares to 12.4% in England and Wales. Rural localities have the highest percentage of older people living alone in the borough, 14.6% of those aged 65+ and 9.2% aged 75+.

Circa 14% of our over 85s are living in a care setting with adult social care currently providing services to circa 1,600 people over 85, of which 40% are in permanent long term care and 60% are receiving services in the community. The number of over 85s receiving care has been reducing, but those that remain have more complex needs.

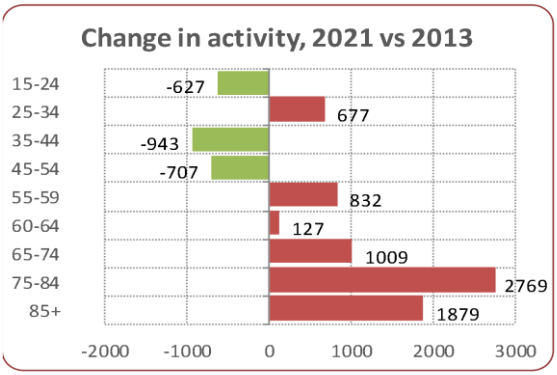
This demographic shift is already taking affect with, middle aged and older people, age specific rates of emergency admissions have been increasing. Those that are very old have seen an increase in length of stay, whilst simultaneously across the other age groups length of stays has shortened.

Cheshire West & Chester's ageing demographics mean that we will have more people living long enough to develop conditions of ageing, becoming frail and developing impairment. The number of people with more than one long term condition will increase with this ageing, as it is currently estimated that 12% of people over 65 years of age have three or more long term conditions and 82% of over 85 year olds have multi-morbidity.

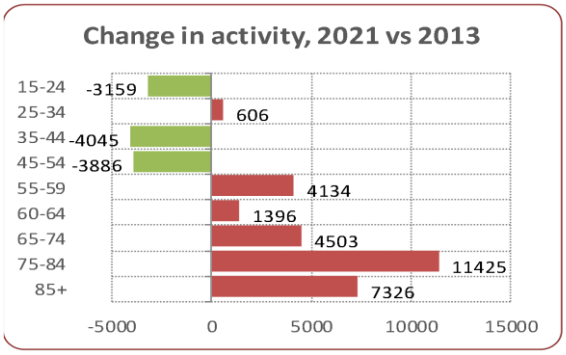
Emergency admissions have been increasing faster than the demographic growth in the over 85s, with emergency rates for over 85s being high compared nationally. It is of note that the use of hospital services by the over 85s has increased at a faster rate than demographic growth over the last 10 years with 20% of non-elective admissions in the over 85s are due entirely or partly to a fall. In 2008-10 half of those over 85 dying did so in hospital, compared to a third in care home and 11% at home, the percentage dying in hospital has been falling.

The tables below illustrate the effect of demographics on the hospital activity to the year 2012 if there were no changes in the health system.

Forecast change in all inpatient activity



Forecast change in all outpatient activity



The Main Burdens and Risk Factors

Our public health information informs us that the largest burden of ill health in Cheshire West & Chester are heart disease, stroke, cancers and mental health, with the key risk factors being smoking, raised blood pressure, alcohol and unhealthy weight.

Additionally and significantly for COCH the demand for service is changing due to the demographic change together with changing lifestyle behaviours such as smoking, increasing weight and drinking changing the need of health services.

<u>North Wales Demography</u>

COCH geographical position places it on the border of Wales and therefore covers the catchment area for COCH from North Wales is predominantly the Deeside area covering both Wrexham and Flintshire. This area is part of Betsi Cadwaladr University Health Board (BCU HB). In 2011, the population of BCU HB was estimated to be 687,800. The population size for Wrexham is 134,800 and Flintshire 152,500.

Similarly to the Cheshire West & Chester population, BCU HB has higher proportions of people aged 55 years and over and lower proportions of the population aged between 15 and 34 years. The proportion of the population aged less than 18 years in BCU HB is 20.7% and the proportion of people aged over 75 years is 9.3%. The percentage of the population in BCU HB aged 65 years and over has increased by 10.4% over a ten year period, reflecting the ageing of the population in line with Cheshire West & Chester. The 65 year old and over population in BCU HB is predicted to continue to increase by 60% between 2008 and 2033.

Slightly lower than Cheshire West & Chester there are 16.6% one person households in Wrexham and 14.5% in Flintshire of which 13% are aged 65 or over.

Strategic Options

The Board has considered how we will need to face these challenges over the 5 years of this plan. The following provides further detail on the programmes of work we will be undertaking.

Do Nothing Option

Continuing to provide an inpatient based model of care in a wholly hospital bed setting is strategically unsustainable in the long term. The cost of this model is unaffordable to both the Trust and our commissioners, and the Trust does not have sufficient physical capacity in its current configuration to deliver it. Therefore a new model is proposed below.

Preferred Option

Our preferred option, and the one the Board has approved is adopting a future model of care where the Trust plays a key role as a locality based main accountable provider.

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Delivering *The West Cheshire Way*

We will play a lead role in the development of an integrated care system that is professionally led and publicly accountable, driven by quality, partnership working and empowering for patients and staff. Being an Accountable Care Provider organisation will put us at the centre of a healthcare system specifically designed to meet the needs of our patients.

Our focus is on our patients - the frail elderly, those with long term conditions, those with dementia, and supporting the services to support them - out of hours, care closer to home in the community, and working with our partners as part of the Cheshire Altogether Better Programme.

The West Cheshire health economy has unified its thinking into the development of a system wide approach to improving and integrating care. Developed by senior clinicians from across the system '*The*

West Cheshire Way' describes the principles and approach that the health and care system is adopting to improve care for patients. It involves our Trust working closely with our partners:

- *Western Cheshire Clinical Commissioning Group (CCG)*
- *Cheshire and Wirral Partnership NHS Foundation Trust (CWP)*
- *Cheshire West and Cheshire Council* (CWAC)

We have worked together to agree a five year financial model to underpin the delivery of The West Cheshire Way. As part of this, discussions are now taking place regarding the challenges and opportunities facing the system from the Better Care Fund in 2015/16 and how the transitional monies available to the CCG can best be utilised across the system.

From this work it has become clear that our integrated health system will have the GP registered list as its cornerstone. A general practice-based holistic and integrated care record is regarded as central, and therefore we are developing ambitions to extend the integration of our acute patient-level information to community health and primary care services. Our success in securing national technology funding to deliver the West Cheshire Integrated Health & Social Care Record Project will make this a reality in 2014/15.

We are convinced that significant achievements can be made through strong clinical engagement within the present policy framework. Some changes to local financial systems (e.g. budgets for whole care programmes) and the monitoring of quality (new metrics focused on population health outcomes) will be required as more integrated care approaches are developed. In order to deliver a more extensive transformation in how services are provided, a more consistent framework will be needed, to encourage the behaviours appropriate to service integration.

An example of our response to *The West Cheshire Way* and the commissioning intentions is the development of a new proposition for the delivery of urgent care services for patients.

We have been working with our partners in CWP to outline a new proposal to our commissioners that can meet the population health needs whilst supporting the delivery of the Better Care Fund. The context for this work includes:

- *Preparing for a 40% increase in the number of people aged 85 in the next five years*
- *Acknowledging that in 2013/14 a total of 80% of over 85 attendances to the Emergency Department resulted in admission*
- *Addressing circa £60m funding challenge faced in Western Cheshire over the next three years*

We have developed an approach based on two premises:

- *The need to support people to keep well at home in the context of a growing number of people with long term conditions (reducing admissions). CWP will take the organisation lead for this, with support from our Trust.*
- *The need to provide rapid tailored acute support 24/7 (reducing unplanned bed days). The Countess will be the organisational* lead for this, with support from CWP.

<u>Our approach to reducing unplanned bed days</u>

Based on the learning from the Royal College of Physicians Future Hospitals Commission and our work in 2013/14 to develop an ambulatory care unit for medical and surgical patients, we will enhance further our ambulatory care offering with an intention that 80% of patients presenting will have a maximum length of stay of 48hrs. In order to achieve this we will continue to develop an approach to 7 day services, supported by rapid diagnostics and robust assessment. Our recent appointment (March 2014) of two

community geriatricians, coupled with identifying a number of local GPs who will work as part of the ambulatory care service, means that we believe that this 80% target is achievable.

This approach will be strengthened by enhanced discharge through hospital at home services, specialist outreach, and therapy-led early supported discharge.

During 2014/15, we will review the organisation of our medical assessment unit to ensure that it has sufficient capacity to achieve our ambition. For patients this means that more effective clinical streaming takes place to get them into the right place to manage their condition. This will be enhanced during 2014 by delivering the CCG's plan to seek to co locate GP out of hours with the other emergency streams on the hospital site.

Better clinical streaming will support us to achieve our ambition of minimising the number of times we move patients between our wards. To complement this during 2014/15 we will develop an approach for surgical patients to increase the number of surgical and medical pathways being managed by the ambulatory care unit. At the same time we intend to support our surgical team with the development of a surgical assessment unit. We believe this approach will allow us to ring-fence elective surgical beds, reducing cancellations to a minimum for our patients.

Delivering *Integrated Specialist Services*

In addition to its core services, the Trust is expanding its existing portfolio of specialist services with the development of the South Mersey Arterial Surgery (SMART) Centre for Vascular patients at the Countess of Chester covering the populations of West Cheshire, Deeside, Wirral and Warrington. This also includes provision of integrated Interventional Radiology provision across the three sites.

This alone will not be sufficient. We face the challenge of long term clinical sustainability through the impact of seven day working and the requirements of the European Working Time Directive. In addition we must address the requirement of ensuring our services continue to be safe and sustainable as we continue to respond to Royal College standards and guidance.

We are developing a joined up approach through integrated service, quality, workforce and capital planning for our services. An important part of this work will be the systematic service line review process we have developed. These service reviews include clinical and patient review, market share analysis, and enable us to better understand our services and their potential. The section below on clinical sustainability highlights some of the key review areas.

Collaborative Working with the Wirral Hospital

This Trust and Wirral University Teaching Hospitals NHS Foundation Trust have formed a number of collaborative agreements including HR & Wellbeing Business Services, and Micropath (Microbiology Services). This collaboration will be extended in 2014/15 with the establishment of the SMART Centre and the North West NHS Human Milk Bank. I

The Trusts will explore other potential areas for collaborative working during 2014 and 2015.

Specialised Services

NHS England directly commissions 143 specialised services of which 17 are delivered by the Countess of Chester. Specialised services are provided from relatively few specialist centres. The services are commissioned nationally and account for approximately 10 per cent of the NHS budget. NHS England foresees a concentration of expertise in some 15 to 30 centres for most aspects of specialised care.

We are actively reviewing all of the other specialist services we provide against NHS England's provider requirements and we will seek to respond to commissioner requirements.

Delivering *Countess 20:20*

The third programme of work in our strategy is about delivering excellent, efficient and effective care ourselves through our own processes. We have called this *Countess 20:20* to reflect both a medium term timeframe to 2020 and our desire to have a clear view of our capability as we make significant improvements to our services.

Our approach is centred on a detailed review of all our services over the short to medium term. We have designed a standardised methodology for reviewing the specialties based on current published literature, research and reports.

Ts will become live documents updated and refreshed periodically as specialty changes are instigated and to inform not only short-term business planning but also the strategic direction of the organisation.

Factors including the increasing requirements of specialised commissioning, and our commissioning CCG's desire for alternative and integrated methods of service delivery, will influence the future design of many services.

We have initiated a site strategy review in 2014/15, to understand and make best use of the capacity and space available to us. We have already pledged that we will not expand the hospital site further, but will make better use of the available space.

We will seek to understand and respond better to the needs of our patients through our patient access strategy, and reviewing our complaints processes. Car parking is a significant issue for the Trust and one that is also currently under review. Alongside some physical improvements, during quarter one of 2014/15 we will implement 'open' visiting times. This will support families and carers by reducing the afternoon pressure on the car parks and will enable more contact with their loved ones while in hospital.

Financial Analysis

We are working with our local healthcare partners to model the financial pressures facing the health economy over the coming years. The organisations included in the model are this Trust, West Cheshire CCG and Cheshire & Wirral Partnership Trust.

This five year plan reflects the detail we have submitted previously for the period 2014-16 in our operational plan. These figures have not been changed and are shown below.

The table below summarises the income and expenditure plan for the Trust for the next five years, with the planning assumptions as outlined by NHS England in relation to tariff changes and cost inflation for 2014/15 to 2018/19.

	Annual Plan				
	2014/15	2015/16	2016/17	2017/18	2018/19
	£m	£m	£m	£m	£m
Income					
Clinical income	194.599	195.055	201.663	204.284	206.992
Non-clinical income	12.501	12.472	13.072	13.172	13.272
Total income	207.100	207.526	214.734	217.456	220.264
Expenses					
Pay costs	-140.444	-139.968	-147.014	-149.235	-151.583
Non-pay costs	-59.177	-59.523	-60.250	-59.871	-59.877
EBITDA	**7.479**	**8.035**	**7.470**	**8.349**	**8.804**
Interest Rec'd	0.156	0.185	0.215	0.243	0.273
Interest Paid	-0.646	-0.664	-0.799	-1.038	-1.153
Profit/Loss on disposal	0.000	0.000	0.000	0.000	0.000
Depreciation	-5.574	-5.946	-6.438	-6.643	-6.635
PDC Dividend	-0.915	-1.029	-1.103	-1.199	-1.348
Net surplus / (deficit) before exceptional items	**0.500**	**0.581**	**-0.655**	**-0.288**	**-0.059**
Exceptional items (donated inc)	0.000	0.000	1.725	0.000	0.000
Net surplus / (Deficit)	**0.500**	**0.581**	**1.070**	**-0.288**	**-0.059**

Efficiency Gap	**-£8.89**	**-£8.75**	**-£8.86**	**-£9.60**	**-£9.66**
% of turnover	**-4.3%**	**-4.2%**	**-4.1%**	**-4.4%**	**-4.4%**
CoSRR	**3**	**3**	**3**	**3**	**3**

We are therefore planning for two years of deficit (£655k in 16/17 and a £288k in 17/18). We will return to balance in 2018/19, however there a number of key assumptions that underpin this:

Subject to the appropriate CCG approval, we have assumed transitional support funded non-recurrently in 14/15 and 15/16 will become consolidated in 16/17. This will be secured recurrently following the success of the development of services outside the hospital. The transfer of funds which has been identified within the Trust's contract for the pooled Better Care Fund is assumed to have no net impact to the Trust given the existing release of hospital activity into the community (for example through circa 100 community virtual beds.)

During the period the Trust will be replacing its electronic hospital record. The capital for this is identified in the capital programme but it is assumed that the revenue costs will be funded non-recurrently.

Cost improvements are required at a rate of circa 4.5% per year for the whole of the plan. We believe that we are in a position to deliver through our internal efforts circa 3.0% of this. The remaining 1.5% will need to come from wider system changes including seeing the impact of a reduction in non-elective growth and consequent attendances. We remain committed to working in partnership, particularly with the CCG, CWAC and CWP if the system is to deliver this.

Capital programme

In 2013/14 stage one of our site development plan was completed with the opening of the new build housing our expanded Critical Care Unit and Endoscopy facilities. Stage two will commence in 2014/15

with the expansion of the Trust's day case theatre capacity by developing a second ophthalmic day case theatre.

Further developments of the lifetime of the plan include:

- Surgical assessment unit as part of a new surgical hub.
- Women's surgical unit.
- Acute care hub, improving the 'front door' of ED, enabling the colocation of GP out of hours and a paediatric assessment area.
- Refurbishment of the woman's and children's unit, part funded (£3m) from charitable funds. This scheme will be in two phases with a second phase commencing in 2019/20.

The Trust is developing a clinically led integrated full site strategy review which will explore how and where services will be provided in the future. The review will direct the capital programme over the next 10 years.

Productivity, Efficiency and Cost Improvement Plans (CIPS)

We have developed a clinically focussed programme of work to learn from the evidence that optimising quality in healthcare leads to cost reductions. Indeed, evidence suggests that cost constraints actually drive quality improvement.

The cost reduction requirements for the Trust are significant. Incremental savings can no longer deliver what is required and there is a focus on continued quality improvement. With a back-drop like this, new ways of approaching cost reduction need to be investigated.

We will focus concentrate on four area to achieve high quality care which costs less. These are:

- Improving quality
- Reducing variation
- Identifying and removing waste
- Cost Improvement Programme Profile

Workforce

Over the next year we will now look at further collaboration with partners such as the West Cheshire Clinical Commissioning Group (CCG), Cheshire and Wirral Partnership (CWP), Cheshire West and Cheshire (CWAC) and the Local Authorities. We will continue to produce more sophisticated workforce plans, across the wider health economy where possible, so that we are able to respond better to changes in our community, in terms of supply and demand.

This may include facilitating more secondary care clinicians working with primary care outside of the hospital setting. The use of Specialist nurses to support care at home and telehealth. Continuing to develop Hospital at Home Children's Service and new staffing models for Ambulatory Emergency Care.

We continue to reshape and restructure the organisation around patient pathways and carry out a number of skill mix reviews. We have completed a thorough analysis of the workforce identifying potential hotspot areas where there is a shortage of skilled clinicians in some areas and where there are age clusters that could potentially cause shortages in the near future.

The Francis Report makes recommendations that have an impact on the nursing staff and the nursing staff training such as minimum skill mix ratios or nurse to bed ratio. Nursing will continue to roll out the improvements made around dementia care and alcohol screening.

We will ensure the workforce is affordable, by to providing sustainable, cost effective solutions to gaps in medical staffing rotas, particularly in relation to junior doctors, with overseas recruitment and improving the skills of certain clinical posts with assistant and advanced practitioners.

SUMMARY

We aim to become as efficient as possible, providing the right services, at the right time, in the right place, whist meeting our quality standards, clinical outcomes, and the expectations of our patients. Alongside this we have a key role to play, in conjunction with our other healthcare partners, in developing as an accountable care organisation which will take lead responsibility for the provision of urgent care and acute care outside of hospital.

Delivering to the needs of the ageing demography, within the available resources is by far the biggest challenge facing us and the wider health system, and is key to the wider sustainability challenge.

We are confident however that we will meet these challenges, and remain an effective, viable and high quality provider of healthcare for the 5 years of this plan and beyond.