

## 1. Overview of UHSM and the local health economy

### 1.1 Context

The population of the UK is changing. More people are living longer, but have long term health conditions, and patient expectations are rising in terms of the care they wish to receive. Escalating health care demand, rising costs and funding increases which only match inflation, all mean the NHS could face an estimated £30 billion financial shortfall by 2021<sup>1</sup>. This is a severe “affordability challenge”. Changes to pensions and the plan to share a portion of NHS spending with local authority social care departments in 2015/16, are likely to bring the challenge to a particularly severe level in 2015/16.

There are currently a number of programmes running to address these challenges within the Greater Manchester Health Economy. These underpin key parts of the Trust’s strategic thinking and all aim to improve patient care and experience, drive up clinical standards and deliver a local health service that is clinically, financially and operationally sustainable in the long term.

#### 1.1.1 Financial context

The Trust is currently in breach of its licence with Monitor, the Regulator. This includes concerns about a deteriorating financial risk rating going forward, partly due to financial commitments related to our PFI. A summary of our historic financial performance is outlined in Table 1.

As a result, a recovery programme to deliver financial stability is being implemented over 2014/15 and 2015/16. This programme will deliver £50m of cost improvements to offset financial pressures so that a stable Continuity of Services Risk Rating (COSRR) of 2 is maintained.

The Trust recognises that this cost improvement programme (CIP) represents a significant step change from prior years. The scale of the programme is considerably increased from the 2013/14 target of £19m. Additionally, the type of CIPs which are planned are notably different from previous years, with a recognition of the need to deliver transformational change which requires new ways of working across the Local Health Economy (LHE)

Table 1: Financial position over the last four financial years

	2010/11	2011/12 £m	2012/13 £m	2013/14 £m
Income	347.7	385.5	430.5	488.2
Expenditure	(324.4)	(363.5)	(410.7)	467.2
EBITDA	23.4	22.0	19.8	21
Net Surplus	4.5	2.4	0.5	0.6
EBITDA %	6.7%	5.7%	4.6%	4.3%
Financial Risk Rating	3	3	3	
CoSRR				2

<sup>1</sup> Monitor APR Guidance (2014)

### 1.1.2 Operational context

UHSM has faced a particular challenge recently with unprecedented increases in demand for our A&E services. We are disappointed by our failure to meet the four hour target over past months and operational plans for the next strategic period include specific actions to deliver the four hour target on a regular basis, including during the most difficult winter period.

In the [NHS England](#) report of November 2013, UHSM scored +81 on the Friends and Family Test (FFT), an overall positive result which puts the Trust at eleventh position out of 142 Acute Trusts in England and 94.8% on the National Patient Safety Thermometer. Actions have been put in place to make further improvements to these figures in line with our aspiration to be in the top 10 hospitals for patient experience in the country, as defined in our Quality Diamond shown in section 1.1.5.

### 1.1.3 Our teaching brand

UHSM and the UHSM Academy have a strong track record for research and innovation, with existing links to the University of Manchester. The Academy hosts a number of academic teaching, research, and volunteering initiatives, with a specific interest in Global Medicine. We provide training for doctors, nurses, and allied health professionals and assist the development of our support staff and management team.

In addition to being a leading teaching hospital in the UK, we provide training for medical students and hospital managers from China on a fee paid basis, and are looking to develop a summer school in conjunction with an overseas partner. We also have a well established link with the Gulu Medical School and its local referral hospital in northern Uganda, funded by a charitable foundation.

We value the training of our staff at all levels, providing apprenticeships for any member of UHSM staff from bands 1-4, and for local young people. We also provide NVQ training for our staff and offer pioneering support for allied health professionals, physician assistants and for consultants with responsibility for trainee doctors.

### 1.1.4 Research and Innovation

UHSM is involved in around 250-300 clinical research trials in an average year, including the largest Breast Cancer prevention trials in Europe. We intend to become a Biomedical Research Centre (BRC) or Biomedical Research Unit (BRU), with a particular focus on heart, lung and vascular specialties. This would attract more investment for translational research posts and trial delivery, and further strengthen the MediPark offer, attracting further partners in life sciences, biomedicine and the medical device industries. The next round of BRC and BRU bids will take place in Autumn 2015, with awards in early 2016, and we are currently developing our strategy for this.

The MediPark development is at the heart of the plans for regeneration in this part of South Manchester, generating around 3,000 jobs over the next ten years. UHSM patients will benefit from clinical innovations and the presence of additional high quality medical staff. Additionally, the hospital will be able to attract commercial partnerships to improve patient care and staff training. The MediPark forms part of a wider cluster of businesses, academic institutions and hospitals situated within South Manchester. Together these represent an internationally important cluster of expertise and in consequence we are confident that the MediPark will be the catalyst for economic growth and employment at the heart of Greater Manchester.

### 1.1.5 Quality Diamond: the challenge ahead

In Autumn 2013, more than 2,000 colleagues came together to talk about the challenges UHSM will face over the next two years, and we made a detailed plan for our future.

Together we generated many ideas to help us overcome these challenges. Ideas were worked up into a number of projects forming a 'Quality Diamond' (see Figure 1). In summary we aim to become a top 10 NHS provider in the country by focusing on four main areas for improvement:

- patient safety and clinical outcomes
- staff engagement
- patient experience
- value for money

**A snapshot of our future:**

- We will be a top 10 NHS provider in the country
- We will be a national centre of excellence for: Cardiovascular, Lung, Burns, and Breast care.
- We will provide the best local health services for our patients, together with our Southern Sector Partners.
- We will work across boundaries, like a hospital without walls.
- We will be working with commercial and other partners to create investment and healthcare innovation in Manchester.
- We will have greater pride to be part of UHSM.

Figure 1: UHSM's Quality Diamond



**1.2 Healthcare needs assessment**

**1.2.1 Local Health Economy – health needs**

**1.2.1.1. Population and age**

The Greater Manchester conurbation has a population of approximately 2.9m. Within this, the Trust's main commissioners and resident populations are:

- South Manchester Clinical Commissioning Group (CCG) – 169,000
- Trafford CCG – 237,000

The Trust also receives a significant proportion of its patients from, and provides core services to, Stockport CCG and East Cheshire CCG, which have populations of around 301,000 and 204,000 respectively.

Trafford has an age structure similar to the national average. South Manchester has a far younger population than the national average, with particularly large numbers of young people aged 20-34, more women than men in these age groups, and fewer adults aged 40 to 75. This has specific implications for maternity services.

According to the 2001 and 2011 Census data, and the interim 2011-based population projections<sup>2</sup> published by the ONS, the population of Greater Manchester is estimated to grow by 6.7% between 2011 and 2021.

Across Greater Manchester, life expectancy for both men and women is lower than the England average. Manchester as a whole has the worst rates of premature mortality in England.

Over the last ten years, 'all cause' mortality rates in both South Manchester and Trafford CCG areas have fallen. In particular, early death rates from cancer, heart disease and stroke have fallen, but remain worse in these CCGs than the average for England.

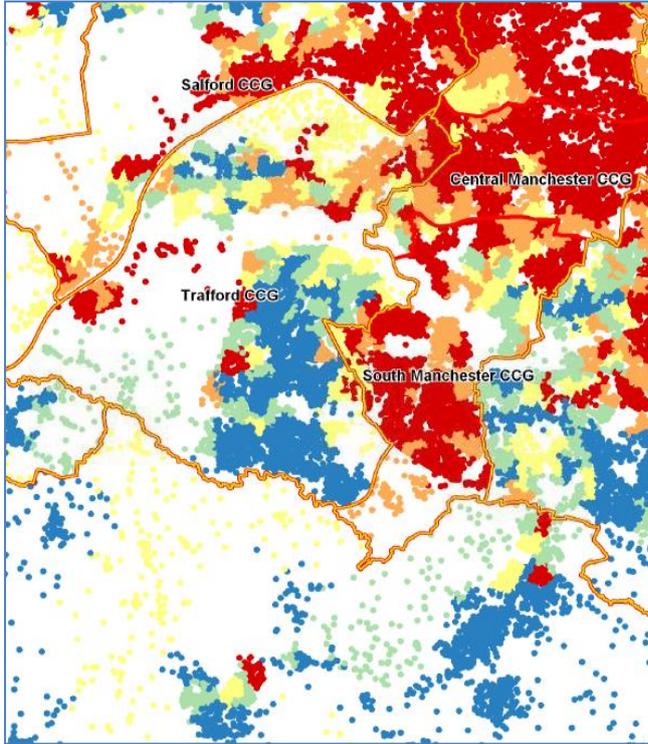
#### **1.2.1.2 Deprivation**

Trafford and South Manchester CCGs cover an area with wide variations in deprivation. This is shown in Figure 2. Blue areas are less deprived and red areas more deprived than average. South Manchester is significantly more deprived than Trafford. People in the most deprived areas are three times more likely to die prematurely than those in the least deprived areas and have higher incidences of, and worse outcomes from a range of conditions including lung cancer, coronary heart disease, Chronic Obstructive Pulmonary Disease (COPD) and type two diabetes.

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<sup>2</sup> Published in September 2012 by the Office for National Statistics (ONS), the interim 2011-based subnational population projections are an indication of the future trends in population over the next 10 years. They are based on the observed levels of births, deaths and migration mainly over the 2006 to 2010 period. They do not take into account any policy changes that have not yet occurred, nor those that have not yet had an impact on observed trends.

Figure 2: Deprivation map – South Manchester and Trafford



Source: <http://www.england.nhs.uk/wp-content/uploads/2012/12/ccg-pack-02a.pdf>

### 1.2.2 Health needs, prevalence and outcomes

South Manchester and Trafford have different health needs. In South Manchester, there is a higher than average prevalence of COPD, poor mental health and a lower prevalence of cancer than in Trafford. In Trafford, there is higher than national average prevalence of heart disease, vascular disease and cancer. In addition, the high numbers of people in their twenties and thirties in South Manchester will also increase demand on services for mothers, babies and families.

NHS Outcome data for South Manchester CCG shows the area is performing significantly worse than the national average on life years lost to conditions which could be improved with healthcare, including poor outcomes for respiratory, cardiac, and alcohol-related disease. Trafford performs in line with the national average in these domains, with slightly worse than average outcomes for respiratory disease. In Trafford, patients report feeling supported with their health conditions and average health related quality of life; patients in South Manchester record feeling unsupported and worse than average health related quality of life. UHSM has a key role and responsibility in tackling these inequalities<sup>3</sup> which it does through the provision of high quality clinical treatment and care, both planned and unplanned and research and teaching.

### 1.2.3 Regional Health Economy – Population and Demographics

Currently the North West has a population of 6.9 million, but the region’s population is projected to increase by 9 per cent between 2008 and 2033. Subsequently, population growth will increase healthcare demand. In particular, the region shares UK wide pressures to improve care of older adults, end of life care and dementia services. In common with the rest of the UK, there will also be increased rates of ill health associated with obesity and type two diabetes. While services for patients with dementia are judged to be good, there is room for improvement and we are already implementing recommendations recently received from the CQC.

<sup>3</sup> Outcomes data available at [Trafford CCG](#) and [South Manchester CCG](#)

### 1.2.4 Key Future Trends

Given that our population is ageing and growing, the key future trends and health requirements are anticipated to be:

- Demand for our core services will increase in line with population growth and in particular the aging population.
- A shift in burden of disease away from acute conditions to long term conditions (LTCs) as the population lives longer.
- Patients rightly want care that is closer to their home. UHSM will have a role in establishing new models of care which help patients to manage their own conditions in the communities they live in, whilst still ensuring access to the specialist care and support they need.
- Specialist services are safest and best for patients when they are delivered by centres with high numbers of patients, experienced teams, and which have access to all the support services required for the whole patient journey. This will lead to a consolidation of specialist services across the country into a smaller number of centres, and UHSM is excellently placed to become one of these specialist centres.

### 1.2.5 Assumed activity growth

UHSM has agreed activity projections with our commissioners which are aligned to the Healthier Together Programme. These allow for growth related to demographic factors and reductions due to the impact of integrated care and the desire to reduce hospital admissions, particularly for the frail and the elderly, providing them with more of their care and support in the local community.

## 1.3 Our Local Health Economy and our position within it

### 1.3.1 Context

Greater Manchester has several hospitals where patients can choose to receive their care. They include Central Manchester, Stockport, Tameside and East Cheshire, with Salford Royal and Liverpool Chest and Heart providing more specialist services. There is also a range of private providers and charities providing community care. UHSM has to work hard to be the provider of choice in the region and will focus on developing its key specialties: Heart, Lung, Vascular, Breast Care, Plastics and Burns, while delivering other services in partnership with those organisations able to deliver the best quality of care and treatment to our patients.

### 1.3.2 Market share

We provide the majority of care for Cardiology, Cardiac Surgery, Plastic Surgery, Thoracic Surgery, Respiratory Medicine, Vascular Surgery and Breast Surgery in Greater Manchester. We also provide the majority of care in the region for many respiratory subspecialties, including adult cystic fibrosis and sleep services.

Some specialist services in Greater Manchester are only found at UHSM. For example, UHSM is home to the National Aspergillosis centre and, provides the ECMO (Extracorporeal Membrane Oxygenation) service for the North West. Additional specialist services provided mainly by the Trust to the whole region include Heart and Lung Transplant, Thoracic Surgery, Adult Cystic Fibrosis unit, Breast Screening, Surgery and Reconstruction, Plastics, Hand and Facial Surgery.

We will continue to monitor our market share locally, regionally and where appropriate nationally. This will help us to monitor performance and respond to any changes in patient and commissioner demand for our services.

### 1.3.3 Choosing UHSM

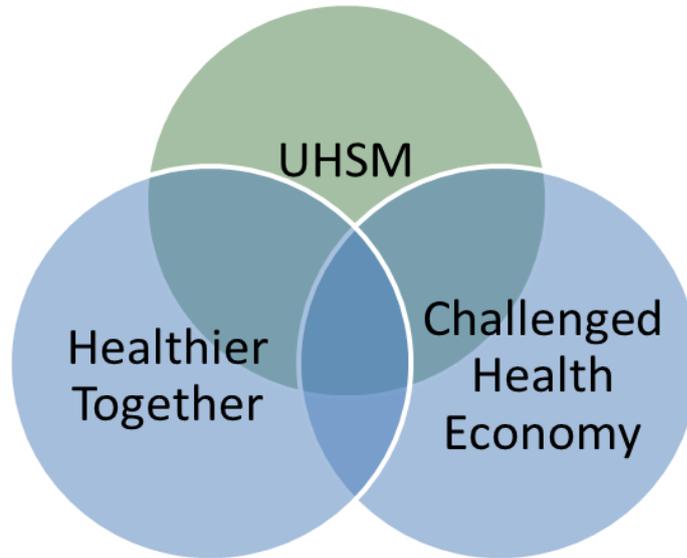
UHSM has a strong position within the health economy, our strengths include the following:

- We are an existing high quality provider of Major Emergency, Major Trauma and Specialist services in South Manchester;
- We are the largest local provider for a number of key specialist areas including:
  - Respiratory conditions
  - Heart and lung transplantation
  - Cardiac Services – including cardiology and cardiothoracic surgery
  - Breast Care Services
  - Burns and Plastics
- We have a strong local and national reputation for delivery of high quality services.
- We have existing specialist strengths and sufficient numbers of patients to be able to deliver safe and sustainable services.
- We are a renowned teaching Foundation Trust (FT) and member of an Academic Health Sciences Centre giving us access to the latest research and best practice.
- We have developed existing collaborations with neighbouring trusts through the Southern Sector partnership, joint ventures and partnerships in specific specialties.
- We have developed innovative links with the commercial sector to develop MediPark. This will make better use of UHSM's many assets in people, land and knowledge to attract innovation, talent, income and investment to the hospital while benefiting the local economy.
- While there is still more investment required to enhance the UHSM estate and infrastructure, we have in place the key foundations of high quality facilities with which to meet the needs of our patients into the future.

### 1.3.4 Financial position of the Local Health Economy (LHE)

The LHE's financial position is challenged. In particular, over the next five years a gap of £73m exists between South Manchester and Trafford CCGs' joint forecast allocation and spend in a "do nothing" scenario. Similarly, a forecast gap of £253m exists across the LHE in a do-nothing scenario. These challenges are being addressed through local health economy wide strategic reviews as shown in Figure 3.

Figure 3: Local Health Economy strategic reviews



### 1.3.5 The Southern Sector Partnership

The Southern Sector Partnership (SSP) has been developed to provide a collaborative model of hospital services across East Cheshire, Stockport, Tameside and South Manchester. The partnership has already achieved productivity gains through its joint approach in pathology and back office services.

### 1.3.6 Healthier Together

Healthier Together (HT) focuses on reductions in avoidable admissions to hospital and other care institutions; the scope includes urgent care, acute and emergency medicine, general surgery and women and children’s services. It looks to re-balance the health system to better support LTCs and shift care to community, primary and self-care settings. HT is due to report in late 2014. Whilst UHSM’s Board fully supports and endorses the need for change, it will only support options and recommendations that are in the best interests of the patients which we serve.

Although unlikely given UHSM’s strengths, location and existing specialist portfolio, the HT consultation could potentially recommend that UHSM should no longer be a specialist major emergency centre, which is a recommendation that we firmly believe would not be in the best interests of patients and therefore our Board and our local commissioners will not support it. We are therefore working with the Consultation to ensure we achieve the right outcome for our patients.

### 1.3.7 Challenged Health Economy

The Challenged Health Economy (CHE) programme has assessed a number of strategic options for healthcare delivery, including looking at provision of specialist services, elective day and inpatient surgery, and provision of major emergency services across the area covered by the SSP. It has based its models on a range of assumptions, including commitments made by the Secretary of State to provide major emergency services to the Trafford population, taking into account travel time for patients to emergency services and workforce requirements. However it is primarily concerned with achieving sustainable healthcare provision across the region rather than existing areas of expertise.

The Trust is working closely with this programme to ensure that any proposals for reorganisation continue to support the provision of high quality, safe and sustainable services our patients expect and deserve. Whilst the final recommendations of the CHE programme have not yet been made, it is clear that UHSM must remain a specialist provider since UHSM is the only hospital in the Southern Sector which has the capability to deliver specialist services. Furthermore, UHSM is also the only hospital in the Southern Sector with the specialist services required to continue supporting major emergencies and major trauma.

## 2. Risk to sustainability and strategic options

### 2.1 Trust wide risks

UHSM faces a wide range of clinical, financial and operational challenges.

In summary:

#### Clinical challenges

Nationally, standards are set to continue to rise in the wake of the Francis enquiry (Mid Staffordshire) and the Keogh reviews (excess deaths). Ensuring that the Trust maintains sufficient volumes of patient activity and has sufficient consultant cover in core specialities will remain a challenge.

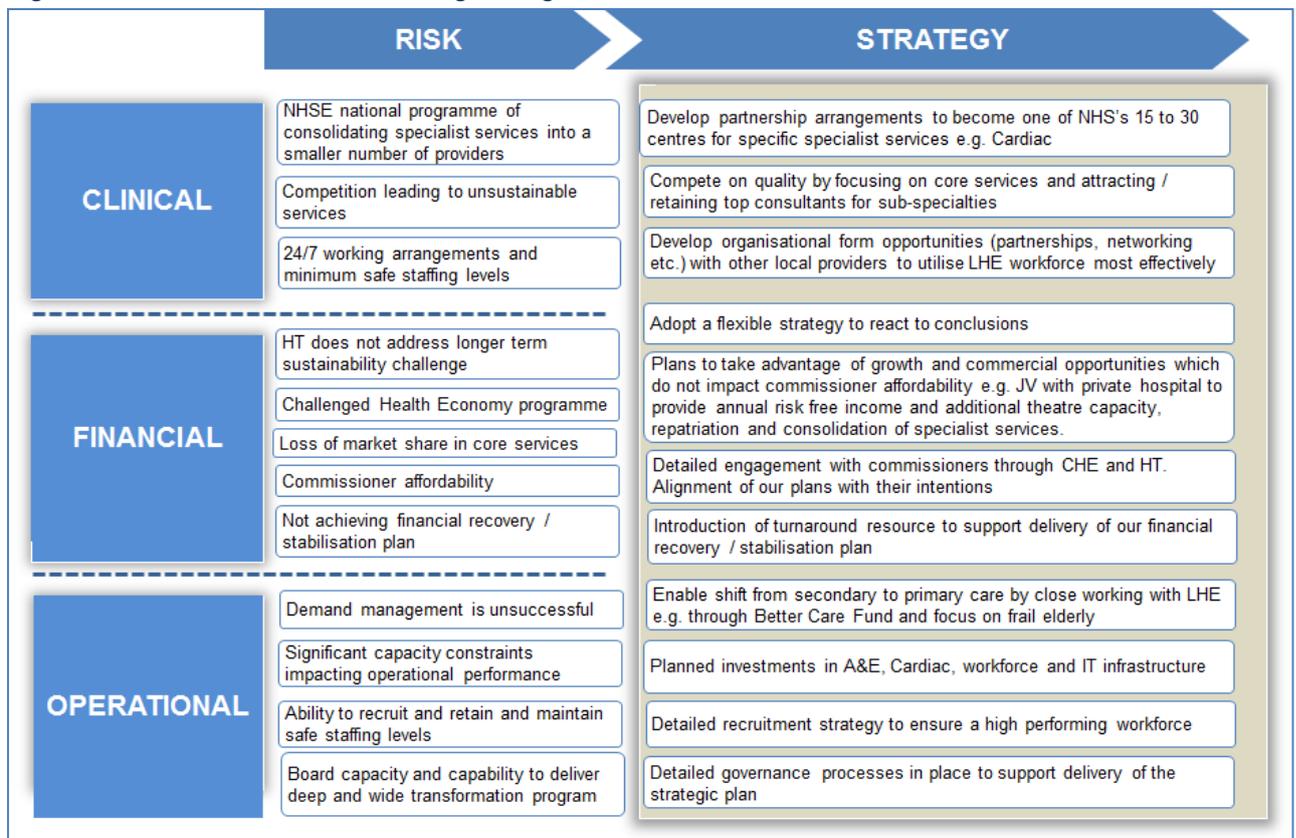
#### Financial challenges

The NHS is facing unprecedented financial pressures, as previously discussed. Sir David Nicholson estimates that unless the NHS changes the way healthcare is delivered, there will be a funding gap of £30 billion a year by 2021 (the “Nicholson Challenge”). In addition, local authorities' social care budgets have been cut by over £2.5bn since 2011 and increasing amounts of NHS funds are being planned to be transferred to councils to support social care through the Better Care Fund (BCF).

#### Operational challenges

We currently do not have enough capacity in some specialties, which affects our ability to comply with core targets and meet the needs of patients if demand rises, for example due to winter pressures or epidemic flu. We must solve this challenge.

Figure 4: Trust wide risks and strategic mitigations



Taken together the issues identified above translate into three specific fundamental risks:

### **Impact on UHSM from the HT and CHE programmes**

The future pattern of service provision across our LHE is currently unclear and the two programmes currently in progress could significantly change the nature of the services we are asked to deliver in future.

We are managing this risk by ensuring that we understand patients' and commissioners' needs, and by developing models of care to deliver high quality emergency, trauma and specialist services. This approach will ensure that we are able to adapt our delivery model to the needs of our LHE.

### **The financial turnaround is not achieved**

Our expenditure has consistently outstripped our income so the detailed turnaround plan we have embarked on is vital to help us identify opportunities for working much more cost effectively while at the same time increasing quality which will further stimulate demand. We are confident that our two year turnaround plan, coupled with the measures in our strategy, will help us to safely deliver the financial stability we need.

### **Risks to operational resilience**

There are risks posed by recruitment and retention issues at all levels at the Trust, together with national shortages in core professions, the need to achieve seven day working, high executive director turnover in recent years, and capacity constraints across the Trust. A combination of investment in capacity, capability and demand management are required to deliver the Trust's plans. However, the Trust recognises that in each of these requirements there are elements which are outside of the Trust's direct control.

These risks will be mitigated by careful job planning, use of non-traditional roles including physician assistants, rebalancing care to the community wherever this is clinically appropriate, demand management schemes and planned investments in A&E, cardiac, workforce and IT infrastructure.

## **2.2 Risk management and strategic options**

In order to mitigate these risks, UHSM has undertaken a preliminary review of service lines, to understand how it can improve or change individual services to better meet patient needs and drive out inefficiencies.

This has led the Trust to consider some transformational options including consideration of service reconfiguration, expanding our core offer, partnerships, growing existing services, mergers and acquisitions.

### 3. Strategic Plans

#### 3.1 Strategic aims and goals

The Board has endorsed a strategic aim of UHSM being recognised as a top ten hospital in terms of care and treatment. We will do this by developing our core specialities and driving higher quality, more cost effective services in all other areas through a range of partnerships and joint ventures with the public and private sectors. Our strategic goals are:

- To be recognised as a top ten NHS provider in the country for care and treatment
- To position the Trust as a leading provider of tertiary and specialist services in the North West
- To be the hospital of choice for the residents of South Manchester, Trafford and East Cheshire
- To grow UHSM's reputation as an internationally respected centre for research and innovation
- To contribute through Manchester Academic Health Sciences Centre (MAHSC) to enhancing life expectancy in our key specialist areas
- To be at the heart of the regeneration of Manchester
- To be recognised as a great place to train and work

Implementation of these strategic goals will result in our Trust having a larger portfolio of specialised services, whilst delivering an excellent, but more appropriate level of local services for the patients we serve. This will continue to be supported by a portfolio of high quality community services, which we will continue to invest in and integrate fully to ensure the pathways of care between the hospital and community are seamless for patients.

#### 3.1.1 Corporate Strategy

Our strategic plans aim to address each of the three identified risks to sustainability and can be summarised as follows:

##### 3.1.1.1 Achieving clinical sustainability

The clinical challenges facing the whole health sector are severe and include unprecedented levels of emergency demand and 24/7 working, and we have in place a detailed strategy to meet these challenges:

**Meeting commissioner and population need:** We will provide the services that patients need, as determined by our commissioners. We have therefore engaged extensively in local strategic processes to understand the commissioner's views and to shape appropriate models of care.

- We will meet the needs of frail elderly patients, integrate care, and implement the BCF.
- We will reduce lengths of stay in surgery, with personalised recovery plans, improvements to day case rates and enhanced discharge planning.
- We will implement seven day working in medicine immediately, reduce avoidable unplanned admissions and enhanced discharge planning.

**Delivering the highest quality services locally:** We will demonstrate that the Trust can be compliant with all core standards, including improvements to four hour performance and the opening of a major £12m improvement to our A&E facility.

However, we will go beyond that to deliver an increasingly better offer to our patients:

- We will make the most of our teaching status, through close links with MAHSC and the University of Manchester.

- We will provide ambitious improvements to cardiac, thoracic and respiratory medicine, cementing our existing reputation as a centre of excellence.
- We will look at opportunities to improve in each of our service lines.
- We will form new partnerships, including a joint venture for Cardiac services with Central Manchester University Hospitals NHS Foundation Trust.
- Where we invest in care, we will invest in state of the art facilities and equipment to develop world class services. For example we will develop a unique Heart, Lung and Vascular Centre comprising the following investment:
  - New cardiac imaging unit in partnership with Alliance Medical due to open in 2015/16, to include a dedicated cardiac CT and an additional 3T MR Scanner
  - Two hybrid theatres for vascular care in 2015/16
  - Refurbishment of the catheter labs, phase one for completion in 2014/15 and phase two 2015/16, in partnership with Medtronic.

**3.1.1.2 Ensuring financial sustainability: Delivering our financial turnaround**

Our financial strategy is to build margins and cash over time through delivering a turnaround of our organisation by improving productivity and pursuing service consolidation opportunities in non-clinical areas.

**Growing specialist services with a high margin:** Evidence suggests that demand for our core specialist services will continue to grow strongly even if demand management is successful. We are developing detailed service line action plans to exploit this growth and to meet future demand in areas such as cardiac, vascular and respiratory.

**Driving productivity and better use of estate:** We know our estates are relatively expensive and recent benchmarking work suggests we have room for productivity gain compared to our peers. UHSM's turnaround programme is fully focussed on realising identified opportunities and making full use of our estate through an ambitious savings programme. We will also continue to build strong commercial partnerships which will provide the Trust further opportunities to build and fund state of the art facilities as a cost effective alternative to any future major capital projects.

**Managing demand:** Patients should be supported to manage their conditions without becoming so unwell they need hospital care. If this does not happen, then not only is the patient not being supported, but there are additional costs for both the provider and commissioner. Reducing and managing this inappropriate activity will directly benefit patients whilst at the same time enhancing our financial margins and reducing loss making activity.

As an organisation providing community care as well as hospital care we have developed a series of initiatives to work with local GPs and social services (e.g. through the BCF) to reduce the boundary between the acute hospital and Out of Hospital Care. This means that care across the LHE can be delivered in the location which is most appropriate for the patient, and most economically efficient too. An example of one scheme is our neighbourhood team project, which is already having an impact on reducing inappropriate A&E attendances of those aged over 75, who tend to have some of the longest lengths of stay. These patients are instead managed closer to their home in more appropriate settings.

**Delivering transformation:** We have developed an initial set of priorities that will allow us to transform local services to deliver improvements in quality whilst increasing efficiencies to unlock savings. However much more work is planned over the coming months as the local strategic work starts to take shape. In part, this will rely on UHSM to develop and make full use of non-traditional clinical roles such as nurse practitioners, physician assistants and advance critical care practitioners. It

will also challenge our clinicians to redesign the way they are currently providing care, including reviewing whether services are best situated in the hospital or the community.

**Building and developing our non core services and commercial partnerships:** We will identify innovative research and funding opportunities beyond the traditional boundaries of the NHS. For example, we are seeking a commercial director to lead on the development of our partnerships with the MediPark, which will provide additional funding to deliver NHS services, free at the point of need. At the moment, we have very effective commercial partnerships with HCA, Medtronic and Bluemantle for the MediPark.

### **3.1.1.3 Ensuring operational sustainability: Managing demand and investing in our business**

The Trust’s operational plans are focussed on ensuring a sustainable balance between capacity and demand across all areas of its business. The Trust recognises that to achieve this there needs to be a healthy balance between managing demand and investing in new and existing capacity.

Our operational plans are therefore vital to the success or otherwise of our clinical and financial strategies outlined previously and there are significant areas of cross-over with some of the earlier themes, particularly around demand management.

We must manage demand so that it does not overwhelm available capacity at the Trust, particularly during winter for emergency care. The Trust has been working with its local CCGs to use integrated care neighbourhood teams and the Living Longer Living Better programme (LLLBB) to help patients locate the care they need outside the hospital. In the future, we will work to find ways of helping patients who are medically fit for discharge to get the care they need at home, reducing avoidable admissions, and working with patient care coordination centres and referral management systems. We will also support CCG initiatives, for example Trafford CCG’s initiatives around early supported discharge for patients who have had a stroke.

An important way of achieving all this is through better integrated care, which is represented in Manchester by LLLBB. Integrated care will mean that from the patients’ point of view, there is no longer a split between care at home and care in the hospital. We will work to provide this seamless care and we are well placed to do so as we provide community care as well as hospital and specialist care, and have effective relationships with GPs and CCGs in the area.

The Trust recognises the areas of care where we need to build capacity, with a combination of direct investment and productivity improvements to create this capacity over time.

### **Workforce**

UHSM recognises the importance of having an appropriate workforce and the national challenges of recruiting to key positions, and that this is a key risk. We are in the process of modelling the impact of providing full 24/7 consultant cover in all core specialities. We also have a comprehensive recruitment process in place to ensure that we will be able to recruit the right skill mix to deliver our ambitions.

Supplementing our recruitment drive is a comprehensive package of initiatives to ensure that staff are supported and trained to deliver compassionate care. We are also maximising the use of talented staff in non-traditional roles, such as advanced critical care practitioners, nurse practitioners and physician assistant roles. We have introduced training in areas such as “train the trainer” for consultants, and the Sage and Thyme model for staff dealing with patients in palliative care, which have been nationally recognised. We will work on supporting leadership at all levels.

## Estates

We have in place an ambitious programme of estates improvements and equipment upgrades to ensure that we have the modern facilities and equipment required to deliver consistently high quality care. The £12m planned expansion to our A&E department in 2015 is critical to our future success as an organisation as it will enable the Trust to address operational constraints and deliver improved patient care. Recent bed modelling indicates that we will require additional bed capacity with our planned improvements to the Trust and demographic growth, but we will continue to monitor this.

The MediPark development will, over the life of this strategy, lead to the creation of a commercial education and training centre, a private hospital venture with HCA, the potential for developing a national endoscopy training centre, and developing manufacturing, testing and office capacity for biomedical and medical device firms.

**Integrating community services:** We will continue to deliver care that is safe, integrated and innovative to our community patients and their carers.

We fully support our partners in the CCGs in their aims to move low risk, uncomplicated care as close to patients and carers' homes as possible, and will support the development of community and primary pathways. In addition, we will conduct a detailed service line review to identify opportunities for further reconfiguration of services, or outpatient activity, which could be appropriately delivered in the community.

We are working on IT solutions that will allow seamless delivery of notes and clinical information across primary, community and secondary care as part of our provision of Electronic Patients Records (EPR). This will support integrated care and create care, which from the perspective of the patient, appears entirely seamless.

We will review the provision of services across our Wythenshawe and Withington hospitals, identifying better uses for the Withington Community Hospital. We will also work with commissioners on deflection schemes and the provision of intermediate care. In addition, we will build on our neighbourhood teams to create a single point of access, investigate technological solutions to care such as phone appointments and telehealth provision, and improve our dementia services across the community and hospital care settings.

## Targets

The Trust performs very well against most performance targets, although we recognise that similar to other hospitals in the region and beyond, we currently have a weakness in A&E, having failed to hit the four hour target in recent months. We therefore recognise that the increasing pressures on our local healthcare system mean that we will need to maintain a rigorous focus on achieving this target sustainably. A programme of initiatives is in place to focus on this (based on a detailed capacity and demand analysis and working with our commissioners) as set out in our two year operational plan.

## Systems and infrastructure

We have in place an investment programme in systems and infrastructure to ensure that our clinicians are supported to deliver the highest quality care whilst minimising the administrative burden on them and the patient. We plan the implementation of a safe Electronic Patient Record system (EPR) and other ward based systems. The new system will be procured and implementation will be completed by end of 2015, eliminating the reliance on paper case notes by 2018. We are also engaging in a significant initiative to align as far as possible, our acute systems with those in the community and

primary care in order to minimise the requirement on patients to repeat data being provided multiple times.

Additionally the Trust will focus on getting the basics right to support high quality care and better financial management. In addition to EPR this will include more accurate coding of patients and building a new IT infrastructure.

**Governance**

The Trust recognises that the coming five years represent a critical change management programme and we have therefore put in place a robust governance process to ensure that progress on the supporting initiatives are closely tracked and delivered to plan.

**3.2 Financial impact of chosen strategic options**

The five year financials in Table 2 summarise the Trust’s forecast financial position. After overlaying the financial impact of its strategic plans onto the baselines for demand derived from the CHE work, the Trust was left with a £30m deficit by 2018/19 under a ‘do nothing’ scenario. As Table 2 shows, the Trust is able to fully mitigate this deficit and continue to deliver a balanced or surplus position going forwards.

Table 2: Financial impact of chosen strategic options

	2014/15 (£m)	2015/16 (£m)	2016/17 (£m)	2017/18 (£m)	2018/19 (£m)
<b>Income</b>	451	421	435	443	451
Expenditure	(426)	(394)	(411)	(418)	(425)
EBITDA	25	27	24	25	26
EBITDA %	5.5%	6.3%	5.5%	5.7%	5.8%
Depreciation	(10)	(11)	(11)	(11)	(11)
Financing	(15)	(15)	(13)	(13)	(14)
<b>Net Surplus/(Deficit)</b>	0.0	1.0	0.4	1.1	1.4
CIP assumed	26	24	16	16	16
CoSRR	2	2	2	2	2
Capital	15	15	11	11	11
Cash	30	31	31	30	29

Our strategic plan assumes that we will deliver cost improvements of £16m over each of the last three years of the strategy, which is less than we are currently projected to deliver. This is based on benchmarking and relies on a number of schemes across both clinical and non clinical areas, all of which will be delivered without adversely impacting on patient safety and quality.

**3.3 Activity and Capacity assumptions within the plan including service developments**

Although we are growing core services, and the population is growing, we are also working together with hospitals and partners across South Manchester to reduce length of stay and deliver care closer to home. This means that we are confident that we will not need to build net additional bed numbers into our plans. We will however continue to make the vital investments in ensuring we recruit and retain talented staff and have the latest technology in terms of equipment.

### **3.4 Key milestones, resourcing requirements, dependencies and risk mitigations**

We have detailed implementation plans in place, which are contained in the business cases supporting each development.

### **3.5 Communication plan for key stakeholders, including staff and the LHE**

We value feedback from the public, patients, carers and CCGs, and we want Wythenshawe and Withington hospitals to be at the heart of their communities. We will consult on all changes we make to services at an appropriate level and will communicate openly with the public. Our governors will provide community oversight for our plans. We will also hold listening events and open days to give everyone the chance to ask questions and raise any concerns and we will take these views into account.

### **3.6 Process in place to manage performance against the strategic plan**

The Board will monitor progress against this strategy, making sure goals are delivered within clear timescales and able to flex in the event of unexpected and future challenges. This will be done through regular Board meetings, including the provision of formal horizon scanning and informal strategy reviews, scrutiny committees, the implementation of a new clinically led divisional structure, meetings of the Governors, and through the development of the team responsible for managing strategic planning and delivery.

## 4. Conclusion

Our strategic aim is for UHSM to be recognised as a top ten hospital in terms of care and treatment. We will do this by developing our core specialities and driving higher quality, more cost effective services in all other areas through a range of partnerships and joint ventures with the public and private sectors. Our strategic goals are therefore:

- To be recognised as a top ten NHS provider in the country for care and treatment
- To position the Trust as a leading provider of tertiary and specialist services in the North West
- To be the hospital of choice for the residents of South Manchester, Trafford and East Cheshire
- To grow UHSM's reputation as an internationally respected centre for research and innovation
- To contribute through MAHSC to enhancing life expectancy in our key specialist areas.
- To be at the heart of the regeneration of Manchester
- To be recognised as a great place to train and work

Over the five year period a number of clinical, financial and operational risks have been identified together with the approach to mitigate these risks. These have translated into three specific fundamental risks:

- Impact on UHSM from the HT and CHE programmes
- The financial turnaround is not achieved
- Risks to operational resilience

Our strategic plans aim to address each of these three fundamental risks to sustainability and can be summarised as follows:

- **Achieving clinical sustainability:** Actions will include implementing seven day working in medicine immediately, reducing length of stay in surgery, integrating care to meet the needs of frail, elderly patients, and implementing the Better Care Fund. We will also provide ambitious improvements to cardiac, thoracic and respiratory medicine, and invest in state of the art facilities and equipment to develop a world class Heart, Lung and Vascular Centre.
- **Ensuring financial sustainability:** To deliver our financial turnaround we will improve productivity and grow high margin services, exploiting expected growth in our core specialist services. Transformation of local services and supporting patients to manage their conditions will reduce inappropriate hospital attendances, enhancing margins and reducing loss making activity. We will also identify innovative research and funding opportunities outside of the NHS, identifying additional funding for the delivery of NHS services, free at the point of need.

- **Ensuring operational sustainability:** Managing growing levels of demand for our services is vital for the Trust and we are working with CCGs and the LLLB programme to help patients receive the care that they need in more appropriate settings, closer to their homes. We are investing in our people and our estates to ensure that we have the modern facilities and equipment and well supported and trained staff required to deliver consistently high quality care across all our sites. The £12m planned expansion of our A&E department in 2015 is critical to our success as it will enable us to address operational constraints and deliver better patient care.

We will work closely with our commissioners to ensure these strategic goals are realised.

The Trust is working closely with the CHE programme to ensure that any proposals for reorganisation continue to support the provision of high quality, safe and sustainable services our patients expect and deserve. Whilst the final recommendations of the programme have not yet been made, it is clear that UHSM must remain a specialist provider since UHSM is the only hospital in the Southern Sector which has the capability to deliver specialist services. Furthermore, UHSM is also the only hospital in the Southern Sector with the specialist services needed to continue supporting major emergencies and major trauma.

HT is due to report in late 2014. Our Board will only support options and recommendations that are in the best interests of the patients which we serve.

This strategy will enable the Trust to be clinically, financially and operationally sustainable and to continue delivering high quality services to our patients from the local community and further afield.