



Future of hospital services in west Hertfordshire

Gathering your views on the
shortlist of options

7 March 2019

Agenda

1. Introduction and purpose
2. Case for change
3. Shortlisting process
4. Shortlist of options
5. Questions
6. Discussion on benefits
7. Close and next steps

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Introduction and purpose

Purpose of today's session

Today is an opportunity to discuss your views on the shortlist of options to be considered as we plan the future of hospital services in west Hertfordshire.

To help you do this we will:

- set out our case for change and the objectives we want to achieve
- describe the shortlisted options in more detail
- outline the benefits we wish to deliver

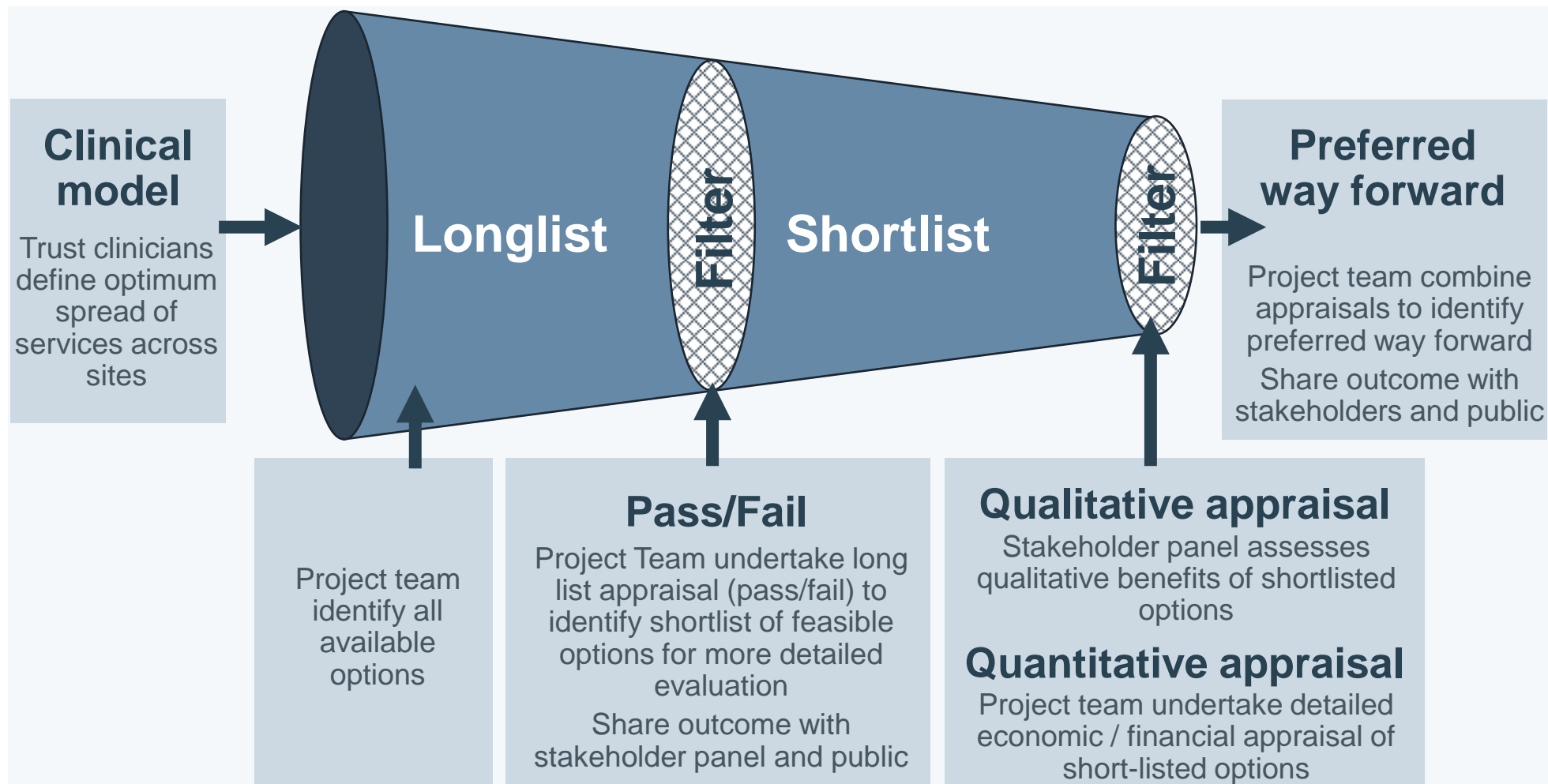
While you will not have a role in the formal scoring of the shortlist, a summary of the discussion will be made available to the stakeholder panel, which will meet to score the options on 13th March.

The outcomes from the stakeholder panel, as well as the outputs of the quantitative appraisal of cost and benefits, will be used by the Trust and CCG boards to determine a preferred way forward.

Where we are now

- National regulators have told us:
 - we need to propose a way forward that's within the Trust's annual turnover, c.£350m
 - there is no private finance – investment will be a public dividend capital (PDC) loan
 - our plan should not rely on future funding for completion
 - our funding application should be submitted in early summer 2019
- Clinicians, NHS managers and independent experts have therefore developed options that:
 - consider all our hospital services and buildings
 - have a focus on delivering new models of care
 - address the most urgent infrastructure issues
 - are within the funding constraint outlined above
- Our stakeholder panel met on 27th February to consider the proposed shortlist.
- The Trust and CCG boards have now confirmed the shortlist of options.
- Today is an opportunity to discuss your views on this shortlist.

Overall appraisal approach



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Case for change

Why do things need to change?

The age and standard of our hospital estate, and how services are currently provided, is a challenge to providing the best quality care at hospitals in west Hertfordshire.

Our **case for change** has three main aspects:



1. Improving clinical sustainability

The way our hospital services are delivered is fragmented, specialist staff are spread too thinly and services are at risk of becoming clinically unsustainable.



2. Providing healthcare from fit for purpose buildings

Many of west Herts hospitals' buildings are old and not designed for modern healthcare, with a backlog of building repairs.



3. Achieving long-term financial stability

The Trust has a financial overspend which is growing every year and is not sustainable in the long term, with estate limitations hindering further service efficiencies.

Objectives

Our investment must focus on the changes needed to address these specific challenges

1

We need to change the way acute hospital services are delivered to meet the standards we expect, by **enhancing separation of emergency and planned care services and consolidating services across locations where possible**

2

We need to invest to ensure care is delivered from **buildings that are fit for purpose** in a way that supports our wider aims for the **future of healthcare** and meets expected **future demand**

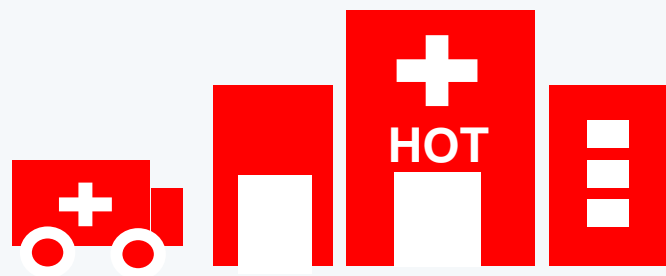
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We need to develop services in a way that is **affordable to commissioners, to funders and to the Trust** on both a capital and revenue basis, **as quickly as possible**

The clinical model: separate 'hot' and 'cold'

Emergency and specialist care – 'HOT'

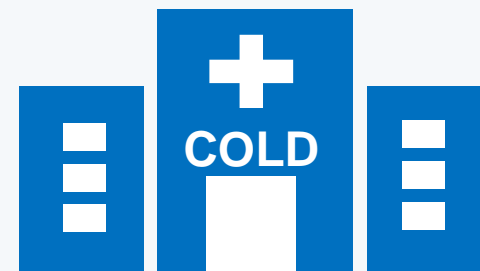
- **reliant on the presence of critical care** and/or services that critical care is dependent upon
- **only the highest risk and sickest patients**



- A&E, inc. emergency surgery
- specialist inpatients
- ambulatory care
- critical care
- women's and children's

Planned care – 'COLD'

- **do not require critical care** and/or services that critical care is dependent upon
- **close links with other health and care services**, including community, mental health and primary care



All sites
have

outpatients
midwifery-led care
urgent care
diagnostics

- planned surgery and medicine
- older people's services
- cancer & 'one stop shops'
- long term conditions

Clinical principles

- 1 The **wellbeing of our patients and staff** must be protected and enhanced in service re-design
- 2 Our future way of working should drive the **separation of HOT** functions (that focus on **emergency care**) and **COLD** functions (urgent and planned care)
- 3 Services with **critical interdependencies** must be co-located eg obstetrician-led births and acute paediatrics sited with critical care and emergency services
- 4 Each clinical team should **not be spread too thinly to avoid fragmentation** and duplication
- 5 **Technology and IT** must be incorporated into the design of our future models
- 6 The future system and buildings must be **flexible** to adapt to medical advances and the changing needs of patients

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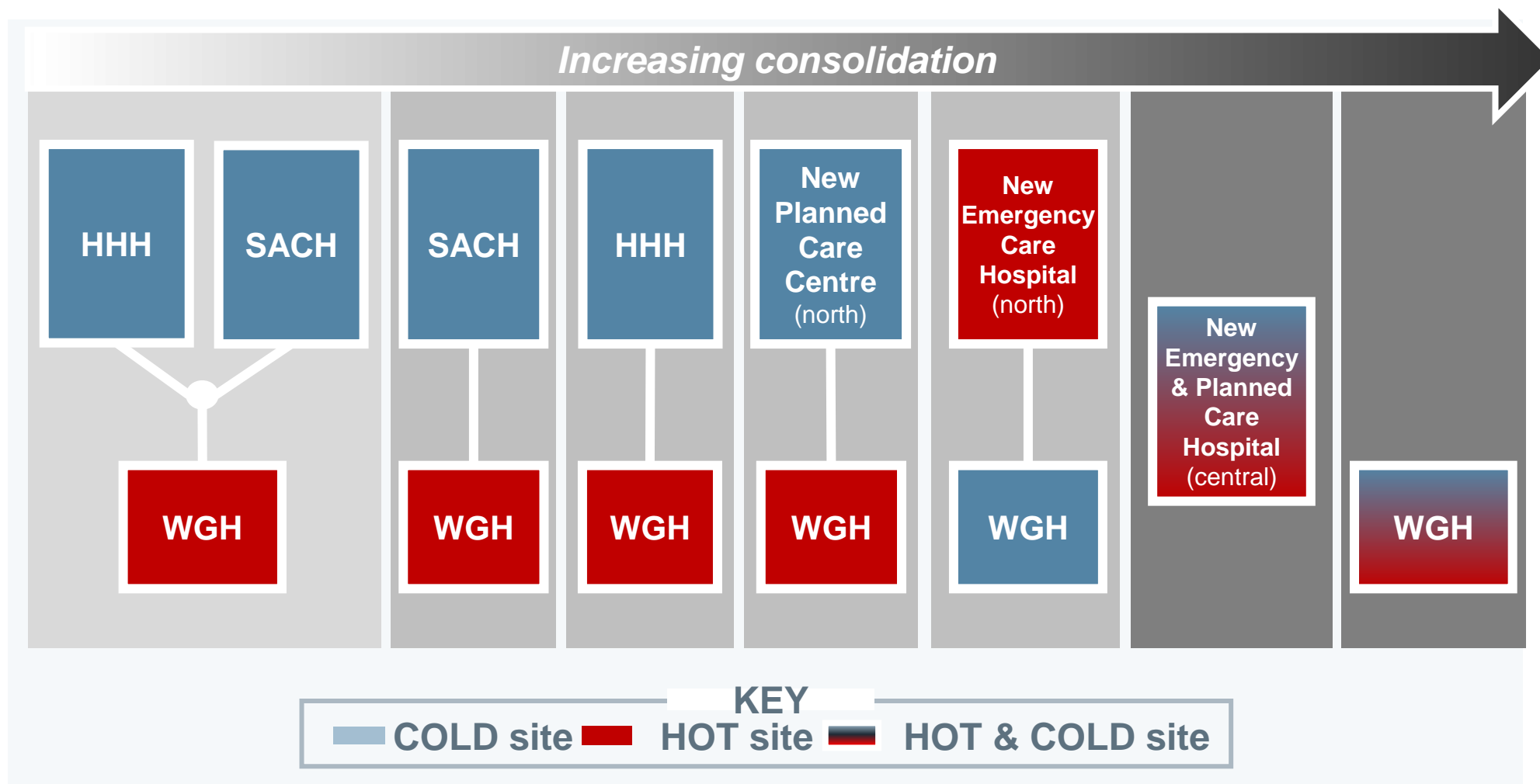
Shortlisting process

Shortlisting criteria

We have defined a **minimum threshold** for each criterion:

Criteria	Threshold
Affordability	The required capital investment must be within the Trust's annual turnover
Quality	The option must at least maintain patient safety at current levels
Patient experience	The option must support an improvement in patient experience from current levels
Access	Services must be located to serve the population of the Herts Valleys
Deliverability	The site locations must have sufficient space to accommodate the requirements of the preferred model of care for the relevant site configuration option
Value for money	The option must support an improvement in the Trust's financial position in the long term
Strategic alignment	The option must deliver the objectives and provide flexibility for the future

There is a long list of potential options



Note that this does not represent the full long list, e.g. Emergency Care Hospital could be located at SACH or HHH

Summary of findings against evaluation criteria

Criteria	Analysis undertaken	Summary of findings
Affordability	Outline capital investment estimates developed	Main criterion for ruling out options
Quality	None at this stage	All options can be designed to ensure patient safety, therefore all options meet minimum threshold
Patient experience	None at this stage	All options can be designed to improve patient experience, therefore all options meet minimum threshold
Access	Travel and catchment analysis	All options provide services located to serve the population of the Herts Valleys and provide reasonable access, therefore all options meet minimum threshold
Deliverability	Schedules of accommodation developed based on clinical model	Existing sites have some limitations due to space constraints, ruling out some options
Value for money	None at this stage	All options have the potential to improve the Trust's financial position, therefore all options meet minimum threshold
Strategic alignment	None at this stage	All options can be designed to meet the objectives to varying degrees, therefore all options meet minimum threshold

Sizing and costing methodology

Our expert advisors have developed estate sizing and cost estimates using a mandated process set by HM Treasury.

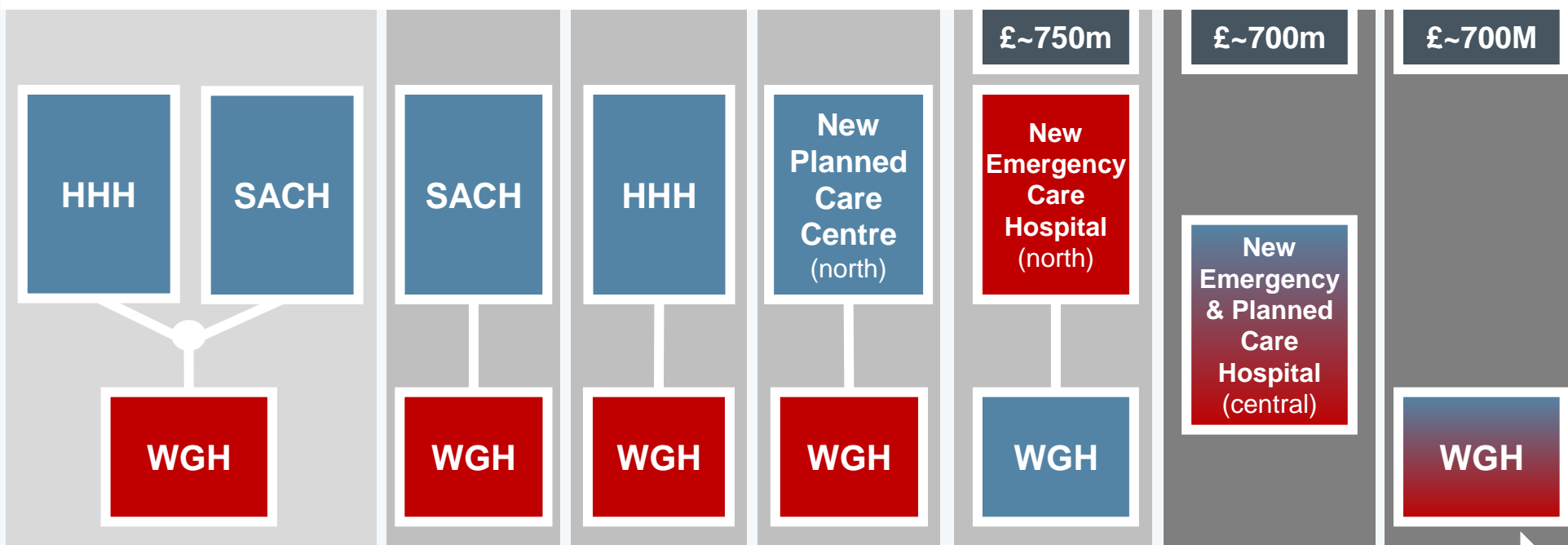
Sizing (m ²)	Two site (Emergency greenfield, PC at WGH)	Single site Greenfield	Single site WGH
Build cost (including critical infrastructure)	£357m	£341m	£331m
+			
Fees	£51m	£51m	£47m
+			
Non works costs	£10m	£9m	£9m
+			
Fixtures, fittings and equipment	£57m	£56m	£57m
+			
Contingency for planning	£17m	£17m	£16m
+			
Optimism Bias	£138m	£113m	£128m
+			
VAT	£115m	£107m	£108m
↓			
Total	£745m	£694m	£696m

Outputs from affordability analysis

Increasing consolidation →

Can be achieved within c. £350m

Substantially higher than £350m



£££ →

KEY

- COLD site
- HOT site
- HOT & COLD site

Extra information

There has been a significant amount of information gathered to inform the outputs that are in this presentation, including:

- demand and capacity analysis – a review of likely future demand for hospital care and resource capacity required
- travel and catchment analysis – a review of the travel times between different sites and impact on catchment area
- site option review – a review of potential sites and their suitability

Outcomes from these analyses are available on the Trust website, alongside links to other key documents available online, such as:

- NHS 10-year plan
- HM Treasury guidance
- ‘your care, your future’ outcomes
- previous Acute Transformation business case

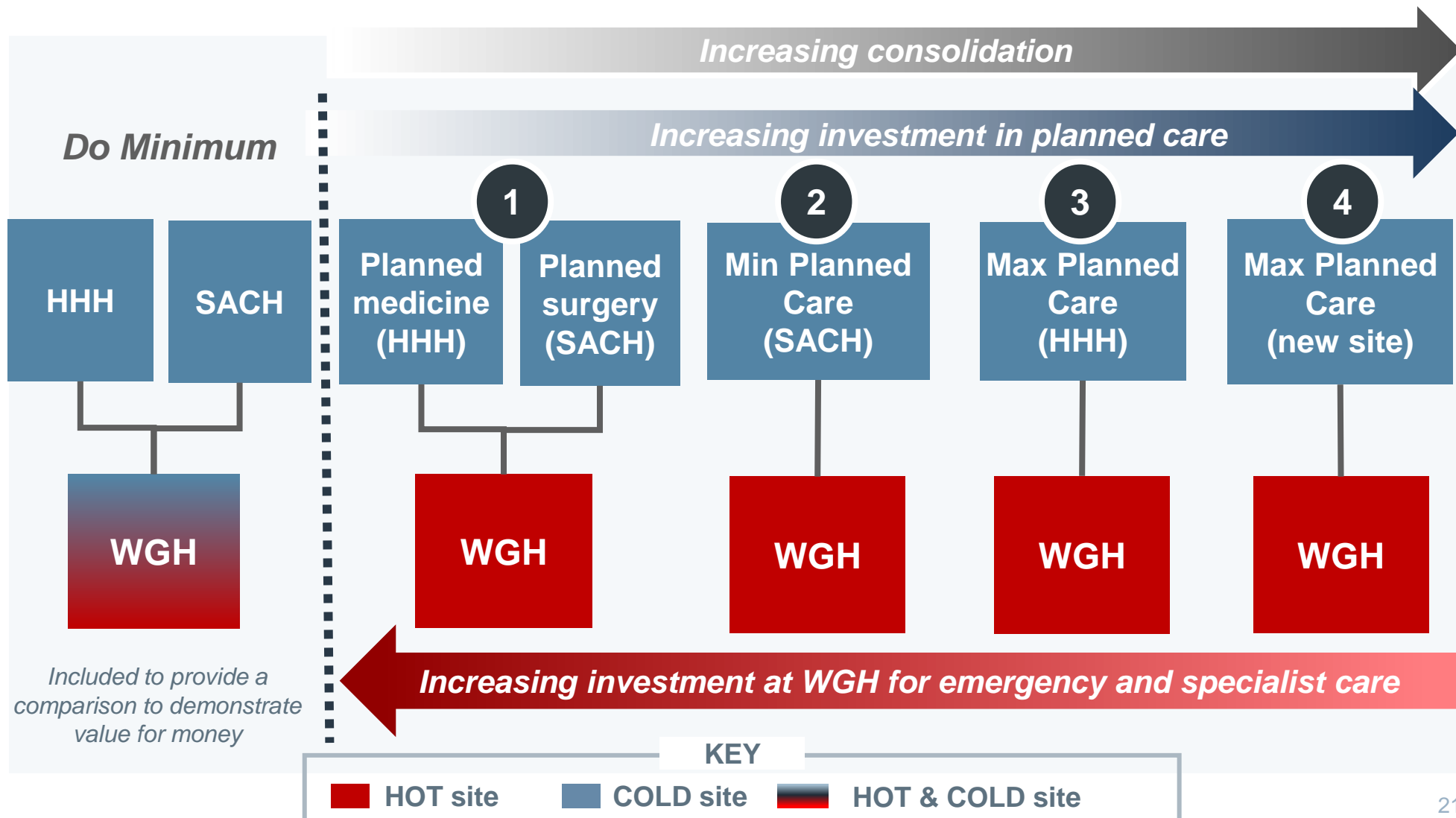
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Shortlist of options

Introducing the shortlist

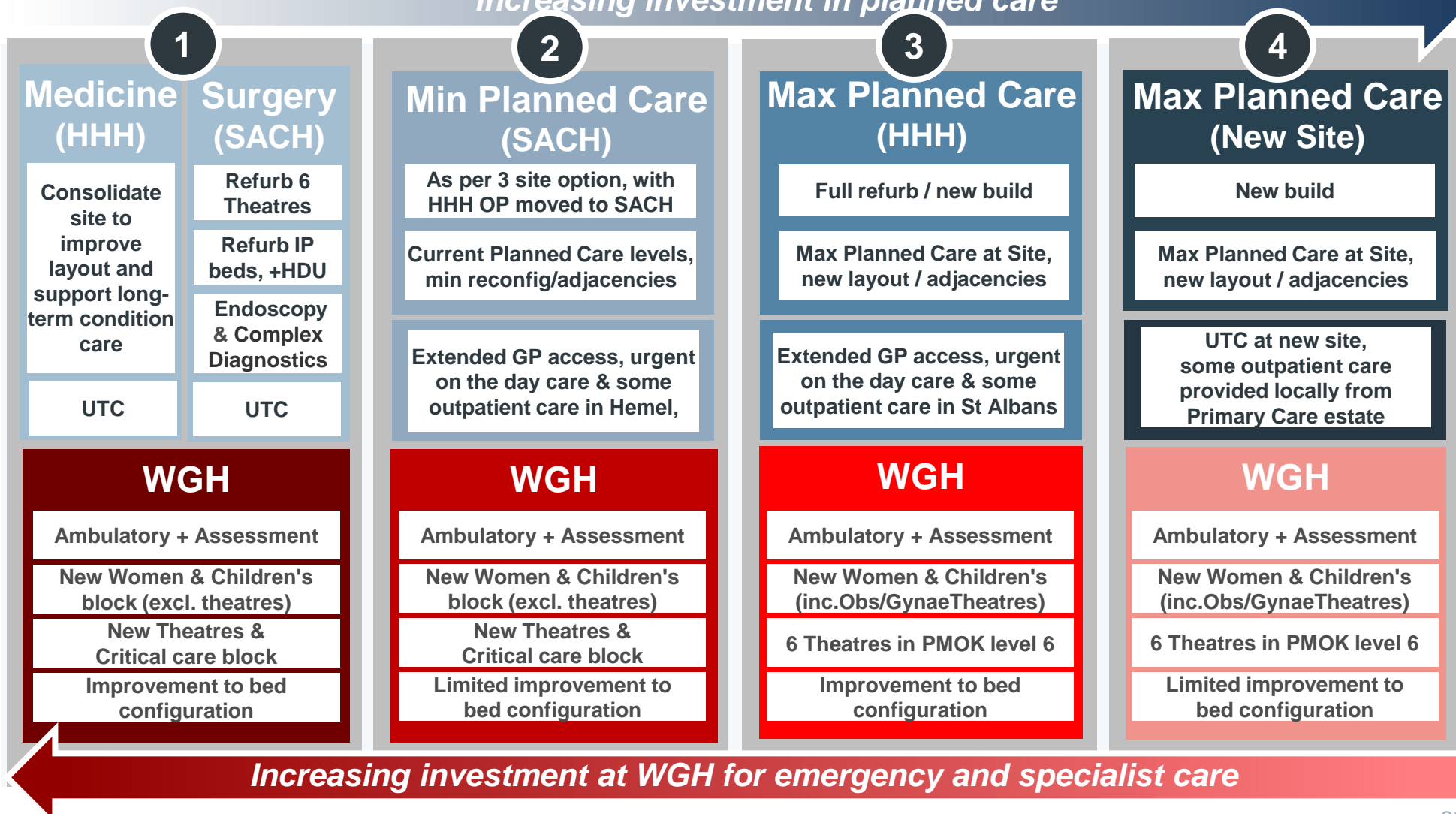
- The proposed shortlist of options, and the evidence used to arrive at it, was considered by the stakeholder panel on 27th February
 - one panel member suggested that an option in which emergency and specialist care is provided from a greenfield site should be included on the shortlist
 - all other panel members agreed with the proposed shortlist
- WHHT and HVCCG boards have now reviewed and confirmed the proposed shortlist. The additional proposed option is not on the shortlist as it far exceeds the affordability criterion.
- The description of each option is intended to provide an indicative view of the affordable changes at each site at this stage of planning and the key differences between the options.
- Commissioning, clinical and operational priorities are continually evolving and therefore while the options represent a proposed service model at this stage, they are likely to be subject to further refinement as we continue to develop our plans.

There are four options on the shortlist, plus a 'Do Minimum'



Key features of the shortlisted options

Increasing investment in planned care



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Questions

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**Discussion on
benefits of options**

Anticipated benefits

We expect the proposed changes to help achieve the following benefits:

- **Improved safety and better clinical outcomes for patients**
- **Improved patient and carer experience**
- **Improved operational performance and lower risk to business continuity**
- **A more attractive workplace for employees**
- **Reduced operational costs for WHHT**

Given the clear constraint around affordability of the proposal set by national regulators, we recognise that we cannot fully achieve all of our objectives. We have therefore included an additional benefit that each of the options should be appraised against:

- **Enabler to future changes in working practices**

Discussion

At your table, please use the templates provided to discuss and assess how likely each option is to deliver the **desired benefits**

Please use the post it notes provided to describe any potential **opportunities** and **challenges** against each option.

Benefit	Option 1	Option 2	Option 3	Option 4
Improved safety and better clinical outcomes for patients				
Improved patient and carer experience				
Improved operational performance and lower risk to business continuity				
A more attractive workplace for employees				
Reduced operational costs for WHHT				
Enabler to future changes in working practices				

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Next steps

Next steps

Date	Activity
Wed 13 th March	Stakeholder panel options appraisal: panel members to undertake a qualitative appraisal of the shortlist of options A record of the discussions from today's session will be made available at this
Late March	The results of the qualitative appraisal will be combined with the quantitative appraisal to determine a preferred way forward
March - April	Documentation of the proposal
Early May	Stakeholder panel updated on the emerging preferred way forward and the results of the Equalities Impact Assessment for this
June	The Trust and CCG Board will review and agree the preferred way forward, prior to submission to the regulators in summer 2019

We will keep you informed and updated throughout this process.



Thank you