

# HSJ LOCAL briefing

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## WORCESTERSHIRE REVIEW OF ACUTE HOSPITAL SERVICES



HSJ Local Briefing is our new in-depth analysis of the key issues facing the NHS's major health economies

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### In brief

**Issue** Worcestershire, like every other shire county in England is having to make unprecedented levels of healthcare savings whilst at the same time battle to provide high quality, sustainable services within an NHS that is rapidly becoming more specialist and expensive. The county faces a potential recruitment problem for specialist consultants, making it difficult to provide the 24/7 acute services increasingly seen as best practice. The Worcestershire health economy is facing a £200m savings target by 2014-15 and £50m needs to come from acute services alone.

**Context** The population of Worcestershire is getting older with patients suffering more complex conditions. Services delivered by Worcestershire Acute Hospitals Trust are spread across three sites and two A&E departments treating 140,000 people a year. To recruit additional consultants the trust would need to spend £3.5m, which it cannot afford. The trust has also struggled to meet its A&E four hour target with the situation only likely to worsen as demand rises. The county's five community hospitals, run by Worcestershire Health and Care Trust, will have a role to play in helping reduce pressure on acute services. There is also already strong opposition to plans from local campaign groups.

**Outcome** The health economy has come together to launch what it has called a joint services review. The reconfiguration is being driven by clinicians who are attempting to re-draw healthcare services in Worcester to deliver better quality more sustainable services within the existing staffing and budget predictions. The county will not be able to continue providing services split between three sites in the way that it does now and the JSR has already concluding doing nothing is not an option. A&E and emergency surgery, paediatrics and obstetrics are likely to be centralised at the Worcester Royal Hospital, with a greater amount of routine and elective surgery and treatments migrating to the Kidderminster and Alexandra Hospitals.

### Context

Delivering safe, high quality, sustainable services is becoming increasingly difficult for small and medium sized hospital trusts, which are facing threats from all sides.

Due to the ageing population and less healthy lifestyles, patients now have more complex needs and often present with multiple conditions. This is driving the demand for expensive healthcare solutions. Healthcare is becoming more technical and drug and treatment costs rising.

Worcestershire has a greater number of older people than the rest of England; around 19 per cent of the population is aged over 65 compared to 16 per cent nationally and the

number is expected to increase by 30,000 over the next 20 years.

A quarter of the county's adults are obese and 40 per cent are overweight and while 60 per cent of the population live in the urban centres around Worcester, Kidderminster and Redditch the remaining 40 per cent is spread across the largely rural county covering 650 square miles.

There is a mounting case for hospitals to offer round the clock care with consultants available in hospital 24/7 but not enough consultants and middle grade doctors are available to meet that need with many district general hospitals reporting recruitment problems.

All of this is happening within the context of a health service facing deep cuts in funding with ongoing efficiencies needed for at least the next three financial years and likely far beyond.

In its own case for change document the review set up by NHS Worcestershire says: "If we don't take action now to make sure we are spending our money in the most effective way, it is quite possible that people won't be able to get the treatment and care they need or that the quality and safety of our healthcare services will deteriorate."

The acute sector in Worcestershire accounts for more than half of the total NHS spending in the county and is split across three hospital sites: Worcester Royal Hospital, Kidderminster Hospital and Treatment Centre and the Alexandra Hospital in Redditch.

All three sites are operated by Worcestershire Acute Hospitals Trust which has approximately 940 beds across the three sites and employs more than 5,600 staff with an annual income of £330m.

The trust carries out more than 95,000 planned and emergency operations each year, with 140,000 A&E attendances and around 500,000 outpatient appointments.

### Challenges faced by the trust

The trust has a target of £15m quality, innovation, productivity and prevention efficiency savings this year, but by July faced a shortfall of £1m. The trust is assuming its plans will not deliver more than £10m meaning an overall QIPP gap this year of at least £5m.

It has reported a year to date deficit at the end of June of £2.7m, against a planned year to date deficit of £2m.

In 2011-12 the trust carried forward a £6m deficit from the previous year with tariff reductions

meaning an extra £12m had to be found. It also saw an £8m reduction from PCTs due to changes in service and referral patterns and it had to find £5m as a final payment on a £25m cash loan.

All of this meant the trust needed a £7.3m bailout from NHS Worcestershire.

In total the Worcestershire health economy needs to find £200m in savings, with £50m identified to come from the acute sector. Even if the trust delivers all of its QIPP targets, which it is failing to do currently, there will still be a £20m gap which will have to be found from significant reconfiguration of services.

The trust has faced national escalation for its failure to meet its foundation trust timetable and was forced to drop out of the Monitor assessment process and begin its application again in 2011.

During 2011-12 it failed to hit the four hour A&E target every single month and ended the year with an overall performance of 92 per cent. But the situation has improved over the summer with performance hitting 95.5 per cent in July. The number of A&E attendances increased by almost 2 per cent last year compared to 2010-11.

A further critical issue facing Worcestershire which makes change inevitable is that it cannot afford to invest in services to meet new clinical standards. There is a move towards an expectation of hospitals to provide consultant level cover seven days a week, 24 hours a day.

Worcestershire Acute Hospitals Trust says that if it was to keep services as they are currently designed the number of consultant doctors employed by the acute trust would need to increase and would likely add £3.5m to its costs. Irrespective of the quality and safety risks to remaining across several

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sites, it is clear the money isn't available to fund the recruitment.

There is also a national shortage of middle grade doctors and consultants. Already Worcestershire Acute Hospitals Trust has to rely on a growing number of locum staff provided by agencies at a higher cost.

### Community services expansion

A solution to the problems facing Worcestershire will not be solved by a reconfiguration of acute services alone.

Over the next four years NHS Worcestershire is looking to reduce the number of patients referred to the acute sector by 14 per cent. This will be achieved by investing in more primary care and community care delivered outside hospital.

The county has five community hospitals based in Bromsgrove, Evesham, Pershore, Malvern and Tenbury operated by Worcestershire Health and Care Trust which employs 4,500 staff and has an annual turnover of £167m.

The community hospitals have not been specifically included in the Joint Services Review but they are being seen as crucial to helping tackle demand and provide more outpatient work away from the acute trust. GP surgeries are also likely to see more outpatients activity.

Christine Fearn, project director for the joint services review tells, HSJ the key issue for the county is the sustainability of services.

She says: "We are facing a sustainability issue around particular types of specialist and emergency services.

"Even if a money tree landed at the end of the road we would still have to continue the review because we could not continue to provide medical rotas across two sites on a 24/7 basis."

So the county's NHS managers and clinicians face having to reconfigure services with an inevitable centralisation of some departments. They also already face local opposition, as they develop their plans.

Worcestershire Acute Hospitals Trust has already begun centralising some services to improve patient care.

In the past 18 months it has brought stroke services to the Worcester Royal in line with the national drive to offer better care and rehabilitation to stroke victims.

The trust has also centralised services for acute heart attack patients with a 24 hours a day, seven days a week service.

The trust believes this will offer lifesaving treatment to an extra 200 patients a year and means patients no longer have to travel outside of the county.

### A clinically led reconfiguration

To try and navigate the challenges the NHS has called on 120 clinicians from across the region to form a joint services review. Working in groups the clinicians are drawing up suggested models for how acute services could be configured in the future that would lead to better quality, safer, sustainable services.

The work is ongoing and the review has yet to announce its shortlist of options. It will be unveiled in October. These will be subject to a three month public consultation in November with a final decision being made by the board of NHS Worcestershire early in 2013, following guidance from the Worcestershire clinical senate and the boards of local NHS organisations.

Although six potential models were proposed in the early consultation two options have both

been ruled out due to the shortage of qualified staff.

These options proposed no change or a move to two hospitals each still with a full A&E, women and children's services on one site and a treatment centre with a minor injuries unit.

Sources close to the review have also said a third option of centralising all services at one acute hospital site and closing the other two hospitals would prove too costly, because of the capital investment needed to up-scale the single site.

### The scale of opposition

This leaves three remaining models which suggest a mixture of services between the three hospitals but all three involve only a single A&E on one hospital site.

This has prompted a high-profile campaign against any move to close the accident and emergency department at the Alexandra Hospital, in Redditch. The Save The Alex campaign has attracted 53,000 signatures to a petition and saw almost 2,000 people attend a public rally.

There is similar opposition to plans in Kidderminster, which lost its A&E department in 2000, where residents fear losing more services.

Save The Alex Campaign chair Neal Stote says: "I can't argue that if you have more specialists on a site that was big enough to cope and had the bed space with good access then it all makes sense.

"But there are real questions about access and capacity. It's no good having the world's best chefs in one restaurant if there aren't enough seats to serve people."

The campaign believes centralising services will place an "impossible burden" on Worcester but HSJ has been told the implementation of any plan could take as long as four years and will

involve significant capital investment to "up-scale" facilities.

Opposition has also been voiced by local MPs and the local branch of the National Childbirth Trust.

Local GP Dianne Wilkins, who practices at Studley Health Centre, in Redditch has claimed lives would be put at risk.

In the face of this opposition the joint services review has held more 120 meetings with stakeholders, local groups and members of the public to try and explain the clinical argument for change.

The JSR believes centralising services means care will be safer than being split at smaller hospitals where clinicians work in smaller, less experienced teams. Smaller hospitals are also less likely to attract staff.

This view is backed by evidence from the Academy of Medical Royal Colleges and numerous studies which suggest outcomes for patients improve with a seven-day consultant rota system.

### The future

The service areas being examined by the review for possible reconfiguration is emergency care, elderly services, women's and children's services and planned care.

A key factor that cannot be overlooked is the existence of a 30-year private finance initiative scheme at the Worcester Royal Hospital.

The Worcester Royal Hospital opened in March 2002 and the PFI deal costs the trust in a unitary payment equivalent to around 4.2 per cent of its £320m budget, or £13.6m a year.

The PFI deal will run until 2032 and will cost more than £720m in total. A review of the PFI scheme by the government found it was not prohibitive to the trust's future or its application for foundation trust

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status.

There is no PFI scheme at Kidderminster Hospital or at the Alexandra Hospital.

The existence of the PFI scheme and the central location of Worcester Royal Hospital makes it the ideal choice for a single accident and emergency department serving the whole county.

Emergency and urgent surgery as well as high-risk paediatric, maternity and obstetric services are also likely to move to the Worcester Royal.

But there could be a migration of elective activity, routine surgery, outpatients and diagnostic services to the Kidderminster and Alexandra Hospitals. Splitting urgent and elective care is seen as a potential solution to patient flow and capacity problems with the reduced likelihood that operations and appointments need to be cancelled due to spikes in emergency demand.

HSJ has been told NHS Worcestershire has been in talks with other NHS providers including University Hospitals Birmingham Foundation Trust, which could offer some A&E services to patients who currently attend the Alexandra Hospital.

The joint services review is not thought to be considering any independent sector partners as part of its solutions.

A source close to the acute trust board tells HSJ: "It's practically impossible to close one of the sites but it's perfectly feasible to redistribute services in such a way that deals with a lot of the sustainability problems and allows the trust to meet its efficiency targets.

"There seems to be more resolve this time round to see that this is done. At the end of the day we have got to grasp the nettle."