Non-Confidential Summary Strategic Plan Document for 2014-19

Southend University Hospital NHS Foundation Trust NHS Foundation Trust

1.1 Strategic Plan for y/e 31 March 2015 to 2019

This document completed by (and Monitor queries to be directed to):

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Date	**30 June 2014**

The attached Strategic Plan is intended to reflect the Trust's business plan over the next five years. Information included herein should accurately reflect the strategic and operational plans agreed by the Trust Board.

In signing below, the Trust is confirming that:

- **The Strategic Plan is an accurate reflection of the current shared vision and strategy of the Trust Board having had regard to the views of the Council of Governors;**
- **The Strategic Plan has been subject to at least the same level of Trust Board scrutiny as any of the Trust's other internal business and strategy plans;**
- **The Strategic Plan is consistent with the Trust's internal operational plans and provides a comprehensive overview of all key factors relevant to the delivery of these plans;**
- **All plans discussed and any numbers quoted in the Strategic Plan directly relate to the Trust's financial template submission; and**
- **The 'declaration of sustainability' is true to the best of its knowledge.**

Approved on behalf of the Board of Directors by:

Name *(Chair)*	Alan Tobias

Signature

Approved on behalf of the Board of Directors by:

Name *(Chief Executive)*	Jacqueline Totterdell

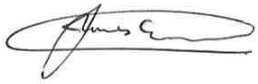
Signature

Approved on behalf of the Board of Directors by:

Name	James O'Sullivan

(Finance Director)	

Signature



1.2 The Operating Background

The Local Healthcare Environment

SUHFT operates as the main provider of acute services for the population of South-East Essex (SEE), covering Southend, which has a current population of 180,000 and Castle Point and Rochford (CPR), which has a population of 175,000. The Trust serves both commissioning groups, with Southend being a Unitary Authority, and CPR falling under the wider control of Essex CC. As a result the Trust has to meet the needs and focus for provision of both groups which, due to their subtle differences, can mean that demands for services can conflict with each other. This puts added pressure on the Trust to provide a spectrum of services that balances need with operational and financial sustainability.

Whilst the NHS is facing similar financial pressures as the wider economy, there are specific demands on hospitals to improve, reform, rescale and reduce the cost of their services and the Trust is not immune to these pressures. Designing services into the short and medium term is further complicated by the comprehensive acute service review across Essex that has very recently been commissioned by the five acute Trusts, seven CCG's and the Local Area Team and which is not expected to be finalised until at least late 2015.

It is anticipated that there will be continued pressure on budgets as the funding challenge continues, with the Trust continually needing to generate high levels of cost and operational efficiency improvements to meet reductions in tariff and commissioner disinvestment plans, which focus on reducing the number of outpatient attendances and avoidable emergency admissions, particularly of older adults – despite the projected growth in the aging population.

There has been an extensive analysis of anticipated demographic changes and the expected impact on service demands for the SEE region.

- Significant population growth particularly in the >55 age group – with particular growth in both the >75 and >85 age bands
- Slight reduction in use of services within lower age bands BUT
- This reduction is overwhelmed by the increased demand as people get older and move into age bands where demands are higher
- Significant increase in length of stay as population ages

The health of the region's population is generally on a par with the rest of the country. However there are a number of areas where there is a higher disease prevalence than the England average, including cardiovascular disease, heart failure, hypothyroidism and mental health. There are significant inequalities for the population of the region with regards to deprivation and life expectancy.

Both Southend and CPR CCGs have identified their Health and Wellbeing Strategy as being the framework for its 5yr strategic focus. This places an emphasis on ensuring that their citizens have the best possible opportunity to live long, fulfilling, healthy lives.

This has resulted in several key areas of focus:

- reducing use of A&E;
- reducing unnecessary admissions;
- reducing unnecessary use of secondary care – currently well above national benchmark;
- increasing social care interventions for high risk patients to reduce pressure on primary and secondary care
- changing cultural attitudes from 'A&E first to A&E last'

  establishing a culture of default discharge from A&E to GP/Community/Home
- establishing a culture of primary care for all non-urgent problems and management of referrals
- making greater use of health predictive models to focus social care on high risk patients
- eliminating unnecessary waste from the South East Essex system to maximise reinvestment, at the same time improving the quality of services, and to improve the health and quality of life

for our population

- working through the Better Care Fund on the transformation of Community Services ensuring that the services commissioned ultimately meet the needs of the most vulnerable patients
- reducing variation in health care services

Capacity Demands in meeting Projected Healthcare Needs

The changing demography across SE Essex and the stated focusses of the two CCGs will have significant implications on the Trust in meeting the anticipated demands. The combination of rising urgent admissions and the increased length of stay for patients with multiple complex conditions will place further pressure on bed capacity and will require a rationalisation of the overall estate to facilitate operational efficiency. Any failure of the CCGs' strategy to reduce the number of attendances at A&E will put significant added pressure on this service.

SUHFT operates under the following background:

- A densely populated catchment
- Significant proportion of older patients set to grow substantially
- High numbers of patients with multiple and/or complex conditions
- Significant economic gap with high levels of deprivation in parts of the region and relative wealth in others
- Increasing birth rates especially amongst the poorer sections of the community
- Operating from a building dating from the 30s to the 90s
- A very constrained site making modernisation difficult

Impact of Demographic Changes

As a result of this the Trust will expect to see an increase in emergency admissions combined with an increasing complexity and longer length of stay. Therefore the Trust will need to develop different ways of working including:

- Ambulatory care;
- Single pathways across all elements of the community;
- Continue to develop stroke services and be the hub for South Essex
- Co-locating all HDU facilities around the Trust to support critical and high dependency care provision by enabling the flexible use of beds

The Service Restriction Policy (SRP) implemented by the CCGs will be in its third year by 2017/18 that will have some impact. However, with an older population there will be an increased requirement for muscular skeletal services, general surgery and cancer surgery.

The Trust is a cancer centre providing a range of surgical and radiotherapy interventions. There will be an increase in patients with cancer requiring treatment. The Trusts plans to develop its Cancer pathways and introduce new technologies to support the treatment of cancer patients, in particular those whose condition is chronic.

The Trust has developed its plans taking account of these intentions and developments. Use as their basis, a set of reasonable assumptions taking account of the available information as neither our commissioners nor other parties in the local health economy have been able to develop a holistic 5 year strategy thus far.

Impact on the Estate

The biggest challenge is the nature of the Trust property stock in terms of age profile and

condition, with circa 30 building blocks ranging from the new builds completed in 2010 to those built in the 1930's, along with a range of off-site buildings.

An Estates Condition Survey identified:

- 25.14% of our estate requires capital investment to repair the condition of buildings over the next five years.
- 39.87% of our buildings were deficient in terms of space constraints with aged facilities which are not fit for clinical activities.
- 49.04% of our estate requires capital investment.
- 98.44% of the hospital site is occupied, leaving little flexibility to reconfigure services.

The total cost to eradicate all Backlog Maintenance over the next four years approaches £50m

The impact of the clinical model on the Trust's estate reveals the need to:

a) Co-locate emergency services into one area
b) Co-locate and provide additional capacity for critical care services
c) Co-locate and provide capacity for day stay services with integrated theatres
d) Move of inpatient / outpatient services out of buildings that are not fit for purpose
e) Meet the requirements of new medical and IT technologies
f) Ensure the co-location and provision of appropriate environments for OPD services to support care pathways and the hub and spoke approach to service delivery
g) Modernise mortuary facilities

To meet the challenges the clinical service model provides, the Trust aims to rationalise its asset base and will review a number of options over the next five years, including

- Reconfiguration of wards / departments
- Integration of outpatient services into the community
- Rationalisation of the existing estate
- Development of a new build on site to address capacity for critical care services and day case elective services Centralisation of off-site services to reduce the revenue impact from rented accommodation
- Refurbishment of vacated areas on the main hospital site for other services
- Development of a dedicated Private Patient Unit

Impact on the Workforce

The Trust's workforce priorities are focussed on delivering improvements in providing a quality of care that reflects the Francis Report and the Keogh ambitions. Progress has been shown in a number of areas and this is reflected in the hospitals COSRR rating, pilot site status for 7 day working and a number of other awards the Trust has achieved.

Following the publication of the Francis Report, our evidence based workforce analysis for qualified nurses has identified a skills mix and establishment gap across a number of areas of the Trust's activity. The Trust is experiencing a significant shortage of qualified nurses to bridge the gap due to the known national shortage of qualified nurses allied to the ageing profile of our current nursing teams. Our hardest to fill vacancies are in Accident and Emergency, Paediatrics, Theatres and Midwives.

To ensure we can meet predicated future demand and nurse staff ratios, the Trust will, in addition to local recruitment initiatives, continue with overseas recruitment, focussing on EEA countries, together with return to practice schemes, and recruitment and retention premia for key posts and developing

our pre- professional nursing workforce (Bands 1 – 4) by implementing a development programme for pre-professional nursing staff.

The Trust is experiencing difficulty in recruiting to a number of doctor posts and will continue to do so due an increasing number of consultants who are retiring. The Trust's staffing strategy has a number of trainee doctor posts built into it which are critical to us delivering the levels and acuity of care to our patients. However, the reduction in the number of training posts will necessitate the recruitment of non-career grade doctors. The Trust is investing in new roles to bridge the skills gaps and staffing deficits in a more cost effective and efficient way. These are:

- Physician's Assistant
- Surgeon's Assistant
- Advanced Care Practitioner
- Associate Nursing Practitioner
- Extended Scope Practitioner (nursing and physiotherapists)

The Trust has achieved 'early adopter' status in respect of 7 day working and has established both its current baseline and an overseeing group to develop clinically led work streams. The objective is to deliver this substantially in advance of the Keogh set timeframes, in particular with reference to emergency and deteriorating patients. However, the associated implications for job planning and contracts as well as changes to working practices will impact on staffing levels in particular medical staff and contractual changes for non-clinical frontline staff.

The Trust is recognised as having a very high quality Stroke service and has been nominated as the Hyper-acute Stroke Unit (HASU) for South Essex. The process towards this is drawn out and timings for the process are outside the Trust's control.

Similarly the Trust is currently awaiting a decision on its aim to be the nominated vascular hub for the area. Again the process is well advanced. In order to deliver this the Trust will implement plans to address adequacy of staffing – in particular with regard to interventional radiologists – as part of its wider staffing strategy. The Trust has plans to develop a specialist hybrid vascular theatre and work is on-going on the sourcing of funding for this.

The Trust's desire to become the main cancer centre for Essex will also demand that both staffing and facilities issues be addressed.

Systems Development*:*

It is the Trust's strategy to move towards a modern, efficient and paperless hospital by 2018. The IM&T programme sets out a direction for an achievable programme of innovation and change to support Business Units and Corporate Services to become digitally enabled, both locally and across the wider health community, where patients will be able to access the information relevant to them.

New and emerging systems and technologies are being deployed to improve patient care and efficiency, allowing clinicians and nurses to access information in real time across a range of systems from within the patient context. Clinical staff will be able to quickly access all patient information via a single logon and be provided with information in a clear and logical format.

Patients will be given access to a summary of their own health record, which they can share with other health professionals. They will be able to add information and interact with clinical staff, receive appointment reminders by SMS text or email and be provided with access to a secure internet portal to view any information relevant to their care. Mobile technologies, including handheld tablets will facilitate discussions with patients and capture their feedback, and we will equip reception areas with self-check-in kiosks at which patients can also check and correct their own information and view information about their condition and treatment.

The Trust`s Electronic Patient Record will bring together all clinical and administrative systems which support the delivery of integrated care into a single logical view of information about the patient. This

will include associated care activity and pathways and where appropriate, the EPR will enable integration across the wider health and social care community. Scheduling will ensure that the patient follows an integrated care pathway which is both convenient to the patient and provides care efficiently. This will include scheduling of resources such as beds, clinics, rooms, theatres, equipment and staff to ensure resources are utilised effectively. Tracking systems, utilising RFID (Radio Frequency Identification) technology will support capacity control and patient flow.

The Competitive Environment

The local health economy comprises five acute hospital Trusts in the surrounding areas and two major supporting community providers. In addition to this NHS competition are private providers, including established private hospitals run by BMI and Spire Groups. These private providers also receive NHS funded work, which current estimations put at around 25% of their income. There are numerous specialist providers in the local economy providing specialist services across the majority of non-Acute health care. Although there are some pockets of collaboration between the acute Trusts in the region these remain limited and a 'competitive' environment still prevails. Examples of collaboration include a Joint Venture for Pathology with BUHFT and audiology services provided by SUHFT at Brentwood.

SUHFT has in the past enjoyed high standards of care and high local reputation. Patient survey results continue to show very high levels of satisfaction. However, the Trust has a recent history of struggling to meet performance standards which have subsequently breached national targets.

The Trust has a good multi strata reputation spanning local community, commissioners and clinicians, evidenced by continued recruitment of clinicians at the highest level. In recent years the Trust has benefited from strong fiscal control that has enabled it to mitigate the impact of changes. The Trust enjoys strong relationships with commissioners and clinical referrers. It has areas of outstanding clinical performance and has untapped potential to use research and its strengths in innovation to expand that reputation and experience in clinical trials and new services. A number of key areas of strength as shown below:

- Clinical oncology
- Tumour management
- Care of elderly
- Respiratory
- Ophthalmology
- Stroke
- Rheumatology

However, the Trust recognises that, in recent times, performance in a number of areas has fallen below our own expectations as well as national target levels. This is particularly true of A&E where the high levels of demand due in part to the existing culture of 'A&E first'. This has meant that a significant number of A&E attendances are inappropriate with some resulting in no treatment advice. The Trust is working hard to address its shortfalls in this area but future achievement of a significantly improved service that meets national targets will be equally dependent on the CCGs' ability to meet their stated goal of significantly reducing the current default dependence on A&E.

In addition to improving the Estate the Trust is also working towards compliance across breaches in several key areas of operating performance and governance. An element of this is a focus to reduce the number of serious incidents ("SI"s) and never events while building on the existing positive reporting culture within the Trust.

The Trust's primary focus of improvement will initially concentrate on: emergency care, cancer, haematology, patient discharge and the care of older adults. New capabilities need to be further developed to enable the Trust to succeed in an uncertain environment; for example, commercial and communications skills, and the experience of forming new partnerships with sector specific experts.

Finally, robust management systems are being implemented to drive performance improvement and

sharpen focus on specific clinical services and their associated clinical outcomes where the Trust can be (or are) excellent, and to configure services for future success.

A number of opportunities across the region offer the chance to deliver a co-ordinated health provision in which the Trust will play a major role. Three key areas have been identified:

- A fundamental review of service provision
- Greater collaboration across acute providers
- More integrated pathways

SUHFT has identified a number of opportunities specific to its own provision of services. These include:

- Taking advantage of disinvestment plans of other providers in the area in order to fill the demand gap, where SUHFT has specific expertise
- Maximising the repatriation of certain specialist patient services that currently are delivered outside the area

The Trust and the LHE face a broad spectrum of threats, some of which stem from the levels of uncertainty around future developments for the design and delivery of services. Key threats include:

- **Political uncertainty**
    - the future shape of the NHS will almost certainly change significantly within the timescale of this planning period. Planning in a period of uncertainty will by necessity have to be sufficiently adaptable to meet any imposed changes/developments whilst still ensuring that the needs of patients are fully met
- **Financial constraints**
    - the Trust and LHE will have to implement strategies that deliver real operational efficiency in terms of delivery rather than mere 'cost savings'. Collaboration, integrated pathways and lead providers for areas of key specialism will be important developments to enable the Trust to mitigate the financial impacts of rising, reductions in tariffs and the CCGs and local authorities' stated intention to achieve the increased levels of service for current cost (or less)
- **Workforce availability**
    - increasing demand for services along with a rise in patients with multiple complex conditions will put pressure on the Trust to achieve appropriate levels of clinical staffing with the right degree of expertise and experience
- **Private sector integration**
    - it will be essential that private sector providers are built into any integrated pathway development. This will require improved levels of trust and collaboration between both sectors

The above results in a number of broad challenges for the Trust

- Meeting the changing needs of the community we serve
- Ensuring sustainability in terms of
    - Operations
    - Finance
    - Logistics
    - Facilities
    - Regulation
- Matching delivery to demand

1.3 Strategic Plans

The Trust has identified a number of strategic plans, some of which are dependent of other parties including commissioners and partners within the local health economy.

Performance
We will continue to deliver against our current action plans to ensure that all aspects of the Trust's performance meet national standards and to ensure that sufficient resilience is built into our systems and processes. Consistent performance delivery is one of the key planks of this plan.

Establish a vascular hub
Following the recommendation of the Vascular Society of Great Britain and Ireland and the outcome of the External Vascular Clinical Review with the support of the specialist and local commissioners the Trust plans to establish a Vascular centre for the treatment of arterial disease providing both elective and emergency arterial vascular surgical care.

Designation as a Hyper Acute Stroke Service
Building on the strength of the service that already exists and the excellent outcomes for stroke patients the Trust will further develop and expand the stroke service. This will ensure all the standards will be met for formal accreditation as the hyper acute stroke service for South Essex.

Development of Musculoskeletal intensive rehabilitation model for Fracture Neck of Femur and Joint Arthroplasty.
This will involve the development of an Early Rehab and Nursing Team (ERAN) funded by a reduction of inpatient beds. The benefits will include significant reductions in length of stay and move much of the rehabilitation that currently occurs in the hospital into a community setting.

To create a wholly owned subsidiary to implement outsourcing of outpatient dispensing
The Trust will partner with a commercial community pharmacy provider to set up a new model for the dispensing and delivery of outpatient medication. This will bring an opportunity to modernise the outpatient pharmacy service and release pharmacist time to concentrate on the more complex medicine management support required by inpatients and patients being treated on an ambulatory pathway.

Advanced Radiotherapy Centre
The Trust intends to further develop Stereotactic Radiosurgery (SRS) and Stereotactic Ablative Body Radiotherapy (SABR). These are two comparatively recent advanced techniques to treat complex or inaccessible tumours with Radiotherapy, often as an alternative to conventional surgery.

These techniques can most effectively be delivered by using a machine called the Cyberknife. The Trust is part of a national consortium planning to develop this technique over the next few years with the support of the Dallaglio Foundation.

Expansion of Interventional and diagnostic radiology
The Trust plans to continue to develop the capacity and capability for advanced diagnostic imaging including the installation of a permanent PET CT to support the cancer and cardiac pathways.

Reduced reliance on inpatient beds

The Trust plans to reduce its reliance on inpatient beds through a range of strategies over next few years. This will include the expansion of the Day Surgical facilities and the development of a 23 hour ward and the introduction of a range of ambulatory emergency care pathways.

South Essex Ophthalmology and extension of VR surgery

The Trust already provides the secondary care ophthalmology service across South Essex and some specialist tertiary services on the Southend Site. It is planned to expand the tertiary services, particularly complex Vitreo retinal surgery, so that patients in the west can access the same level of care closer to home.

Acute Services Review

The Essex Acute Services Review Project (ASR) aims to ensure that the configuration of acute services across Essex is sustainable in the medium-long term in terms of staffing, quality and safety and patient pathways. The ASR scope does not include all clinical specialties, but focusses on those where there are current operational pressures or areas of non-compliance with guidance. This includes specialist surgery; smaller surgical specialties, for example ENT and OMFS; oncology and haematology and paediatrics, together with the impact of the Keogh review of A&E and emergency care. The ASR will be overseen by a Programme Board, membership of which will include the CEO and Medical Director from each of the five acute Trusts, along with specialist commissioners and CCG representatives. Final decisions on commissioning of services will be made by a Joint Committee of CCGs and the review is expected to proceed to formal consultation in early 2016.

The five Essex acute Trusts have also commissioned a second project to review the opportunities for joint working across a series of back office services in order to reduce to operating costs to address some of the current and future financial challenges.

Monitoring and Communication

The Trust has a number of approaches in place to ensure that plans are fully communicated to all key stakeholders including staff, patients, governors and commissioning bodies.

As part of the process to develop a holistic strategic plan for the local health economy in the coming months we will also share this plan with our partners as a key element of that wider plan.

Progress against the plan will be measured using formal techniques based on appropriate datasets and success criteria which have been established against the key milestones for each of the plan's major elements. The processes for this will be overseen by a dedicated Head of Strategy and Planning, reporting directly to the executive. In addition progress against the plan will be regularly reported to the board, where any necessary modifications to the plan in the light of changing circumstances will be discussed and approved for implementation.

1.4 Financial Summary

The Trust is projecting a deficit of £720k in 2014/15 and a reduced deficit of £377k in 2015/16. This is consistent with the position submitted in April. Due in particular to a reduction in the impact of the tariff deflator and continued delivery of commercial and cost improvement plans the Trust will return to surplus in year three (2016/17) and sustain this position going forward.

Summary of the 5 Year Plan

	Year 1 2014/15	Year 2 2015/16	Year 3 2016/17	Year 4 2017/18	Year 5 2017/18
	£'000	£'000	£'000	£'000	£'000
Income	268,933	266,841	266,469	269,643	274,281
Expenditure	(255,601)	(252,602)	(250,229)	(253,388)	(258,011)
EBITDA	13,332	14,239	16,240	16,255	16,270
Financing & Depreciation	(14,052)	(14,616)	(15,289)	(15,471)	(15,391)
Net Surplus / (Deficit)	(720)	(377)	951	784	879
Cash	12,310	11,972	10,000	11,109	11,649